



**INTERNATIONAL TROPICAL
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**Matters Pertaining to Article 44 of the International Tropical Timber Agreement
(ITTA) 2006**

(Item 11 of the Provisional Agenda)

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A. Introduction and Mandate of the Working Group

Background

1. An Information Note [Document ITTC(LVI)/11] was presented by the Secretariat to the International Tropical Timber Council (ITTC) at its 56th Session in 2020, to remind Council of the procedures for either extending or renegotiating the International Tropical Timber Agreement (ITTA), 2006 prior to its expiry on 6 December 2021.
2. Deliberations at the 57th Session of the Council in 2021 resulted in the Council adopting Decision 4(LVII) “Extension of the International Tropical Timber Agreement (ITTA), 2006”, which contained the following decisions:
 - Decides in accordance with Article 44(2) of the ITTA 2006, that the Agreement be extended for a period of five years with effect from 7 December 2021 until 6 December 2026;
 - Decides to establish an inclusive virtual intersessional working group with a maximum of 10 representatives each from the producer and consumer caucuses to assess the need for renegotiation or further extension of the ITTA 2006. The working group is to submit a report, including recommendations, for consideration by the Council at its Fifty-eighth Session;
 - Authorizes the Executive Director to utilize an amount not exceeding US\$50,000 from the Working Capital Reserve to meet the costs of the working group.
3. Following the presentation of the Working Group’s report to the Council at its 58th Session in 2022 and having extensively deliberated on the matter, the Council proceeded to adopt Decision 4(LVIII) “Working Group on Matters Pertaining to Article 44 of ITTA 2006” which contained the following decisions:
 - Extend the mandate of the intersessional working group, established under Decision 4(LVII), for one year until the 59th Session of the Council;
 - Request the intersessional working group with the support of the Secretariat to collect further views on whether members would support a renegotiation and/or a final extension of the ITTA, 2006 as set out in Article 44 paragraph 2 of the ITTA, 2006;
 - Request the intersessional working group, in close collaboration with the Secretariat, to draft preparatory roadmaps for both potential expiry dates and information on the procedural implications of expiry, extension and/or renegotiation of ITTA, 2006. The roadmaps should include the following elements:
 - a. a process and scope for consultative review of the ITTA, 2006 and related matters;
 - b. the composition and settings for a preparatory group for potential renegotiation;
 - c. cost estimates for key elements;
 - d. timing, including for renegotiations.
 - Request that the report of the intersessional working group, including recommendations, the roadmaps and any draft decisions, be provided to members no less than two months before the Fifty-ninth Session of the Council;
 - Request that the intersessional working group recommence its work no later than February 2023 and continue to meet virtually to substantially complete its work, and then take a decision on the need to meet in person to finalize its report;

- Authorize the Executive Director to seek voluntary contributions to meet the financial requirements of this Decision, not exceeding US\$150,000. In the absence of sufficient voluntary contributions, the Executive Director is requested to use funds from the Working Capital Reserve.

Operational Mode of the Working Group

- In accordance with Decision 4(LVII), an inclusive virtual intersessional working group (WG) was convened, consistent with paragraph 5 of Decision 4(LVIII). The WG convened three times virtually on 9 February 2023, 6 September 2023 and 20 September 2023, complimented by e-mail communications. The background document (Annex 1) was provided beforehand for the WG's deliberation prior to its first meeting. The list below refers to the WG members who attended at least one of the three meetings and includes some members' alternative representatives who attended on the same basis:
 - Mr. Anne-Theo Seinen, Representative of the EU Commission
 - Ms. Nora Ricken, Representative of the EU Commission
 - Ms. Maria Alcala-Galiano Malo de Molina, Representative of the Government of Spain
 - Mr. Yoga Prayoga, Representative of the Government of Indonesia
 - Dr. Muhammad Zahrul Muttaqin, Representative of the Government of Indonesia
 - Mr. Pedro Antonio Plateros Gastelum, Representative of the Government of Mexico
 - Mr. Alberto Julian Escamilla Nava, Representative of the Government of Mexico
 - Mr. Jorge Ruiz Morales, Representative of the Government of Mexico
 - Mr. Wan Ahmad Asmady, Representative of the Government of Malaysia
 - Ms. Eirna Yani Mohd Arip, Representative of the Government of Malaysia
 - Ms. Siti Noor Bushra Ismail, Representative of the Government of Malaysia
 - Mr. Ulysse Sinagabe Korogone, Representative of the Government of Benin
 - Mr. Arsene Ewossaka, Representative of the Government of the Republic of Congo
 - Mr. Ray Thomas Fernandez Kabigting, Representative of the Government of Philippines
 - Dr. Catherine Karr-Colque, Representative of the Government of USA
 - Mr. Madad Mahvish Z., Representative of the Government of USA
 - Mr. Daniel Carl, Representative of the Government of the USA
 - Mr. Yasuyuki Kobayashi, Representative of the Government of Japan
 - Ms. Yoko Yamato, Representative of the Government of Japan
 - Mr. Hiroyuki Saito, Representative of the Government of Japan
 - Ms. Akiko Tabata, Representative of the Government of Japan
 - Mr. Jorge Malleux, Representative of the Government of Peru/Producer Spokesperson
 - Ms. Anna Tyler, Representative of the Government of New Zealand
 - Mr. Keiran Andrusko, Representative of the Government of Australia
 - Ms. Luz Stella Pulido, Representative of the Government of Colombia
 - Mr. Jerson Leonardo González Umaña, Representative of the Government of Colombia
 - Mr. Nurudeen Iddrisu, Representative of the Government of Ghana
 - Mr. Bjoern Merckell, Representative of the Government of Sweden
 - Mr. Angelo Paulo Sales dos Santos, Representative of the Government of Brazil

4. Specific matters considered and actioned by the WG under this decision are:

- i. Whether to recommend to Council to take the decision to extend the ITTA 2006 until 6 December 2029 where renegotiations will need to commence latest by early 2027 in order for a successor agreement to be ready prior to the expiry of the ITTA 2006 on 6 December 2029 OR to take a decision not to extend the current ITTA 2006 until December 2029 and for renegotiations to commence in early 2024 to enable a successor agreement to be finalized

prior to the expiry of the current ITTA on 6 December 2026. Recommendation from the WG would be necessary in order to advise Council through its final report at the ITTC 59.

- ii. Consistent with paragraph 2 of Decision 4(LVIII) which ‘Request the intersessional working group with the support of the Secretariat to collect further views on whether members would support a renegotiation and/or a final extension of the ITTA 2006 as set out in Article 44 paragraph 2 of the ITTA 2006” and in order to enable the WG to provide the best advice to Council on either of the above options, the WG decided that a more in-depth survey was required in order to obtain a more collective view from members, if not a more coherent approach in relation to the future of the ITTA 2006. Additionally, a more extensive survey would also provide the opportunity to members who may wish to change their responses submitted in 2022.
 - iii. Following from the above, an expanded version of the survey was drafted by the Secretariat, incorporating all the inputs from the WG members and shared with the WG in February 2023. Following a further review process, the finalized survey was sent out to all members on 26 April 2023 with a deadline of 5 June 2023 to submit their responses.
 - iv. Due to the low rate of response by 5 June 2023, and in efforts to secure the view of more members in order to render this process more meaningful for Council’s consideration, the deadline was extended twice after the original date, providing further opportunity for other members who had not responded to also respond. All members were strongly encouraged to respond to the questions in a frank and factual manner.
 - v. By the final deadline of the end of July 2023, 33 Consumer countries (of which the EU represents 27) and 20 Producer countries responded to this survey. The outcome of this members’ survey is attached as Annex 3 to this report.
 - vi. Discussions on Paragraph 3 of Decision 4(LVIII) “Request the intersessional working group, in close collaboration with the Secretariat, to draft preparatory roadmaps for both potential expiry dates and information on the procedural implications of expiry, extension and/or renegotiation of ITTA 2006”.
 - vii. Appropriate amendments to the Background Document prepared were incorporated to facilitate the work of the WG. The content of this Background Document will further facilitate discussion between members at the ITTC 59.
5. Owing to their commendable leadership of this WG in 2022, Mr. Nurudeen Iddrisu and Mr. Keiran Andrusko were unanimously elected to continue as Co-Chairs of this WG in 2023. The outcome and recommendations resulting from the deliberations of the WG are captured in this report. The minutes of the three meetings are also included in this report in Annex 2.

B. Recommendations of the Working Group (WG)

Following extensive, constructive, and explanatory discussions thorough both meetings of this WG on matters withing its purview under Decision 4(LVIII), the majority of the WG members supported a further extension of the ITTA 2006 until 6 December 2029 for several reasons (as outlined in the Minutes of the WG meetings contained in Annex 2 of this document). This recommendation is partially based on a similar majority opinion from members who responded to the 2023 survey.

Two of the producer members on the WG noted that although 20 producer members responded to the survey, 17 members did not, despite two deadline extensions. They suggested that this indicates a need for fuller consultations with members to assess their concerns and views about the ITTA 2006 and its

renegotiation. The other members of the WG agreed that there should be comprehensive consultations relating to the ITTA 2006 with all members and other stakeholders prior to any eventual negotiation. The WG also felt that this justified the final extension to the ITTA 2006 to allow sufficient time for such consultations to be held.

Taking all the WG's deliberations into consideration and based on the response to the members' survey, the WG makes the following recommendations to the ITTC59, **consistent with paragraph 3 of Decision 4(LVIII)**:

1. The WG recommends that Council extend the ITTA 2006 from its current expiration date of 6 December 2026 until 6 December 2029.
2. The WG recommends that Council use the indicative Roadmap Scenario 1 on pages 7 and 8 of this report as the basis to guide Council and for further consultations in the ITTA 2006 review process.
3. The WG recommends to the ITTC59 to extend this WG as the Preparatory Working Group (PWG) for a period of one year until the ITTC60 in 2024.
4. The WG recommends that the Council define the mandate of the PWG at the ITTC59, and recommends that Council include the following elements:
 - (a) advancing preparatory review work to identify elements to consider for future renegotiation in close collaboration with the Secretariat, supported by independent consultants, to include fact-finding and analysis, based on elements and interests raised by members and external entities and as expressed during discussions at the ITTC 59.
 - (b) the submission of a report to the ITTC60 in 2024, based on outputs from paragraph (a) with additional recommendations from the PWG, on the modalities for the ITTA 2006 review process, including format (whether virtual or in-person), timing, location/s of proposed elements in the indicative Roadmap Scenario 1.
5. The WG recommends that the Council reviews the indicative Roadmap Scenario 1 based on the outputs from the PWG and Council deliberations at the ITTC60 in 2024,
6. The WG recommends that the Council take a decision, as appropriate and/or necessary, at the ITTC60 in 2024 on a possible extension of the PWG for an additional year until the ITTC61 in 2025.

This report summarizes the discussions and recommendations of the WG, consistent with Decision 4(LVIII), for consideration by the ITTC 59.

A draft decision will be proposed by the WG Co-Chairs reflecting the recommendations of the WG and Council deliberations, for Council's consideration at the ITTC59.

Scenario 1 - Consensus achieved on the Extension of the ITTA, 2006 until 6 December 2029

TIMELINE AND ESTIMATE OF COSTS RELATED TO THE RENEGOTIATION OF THE ITTA, 2006

(in United States dollars)

Timing	Description	Estimated Expenses	
2024	CONSULTANCY		
	1. Obtain more views from members & produce an analysis of key elements	\$70,000.00	
	2. Undertake views from non-members & produce an analysis report		
	3. Conduct regional consultations & produce report/s		
	Sub Total:	\$70,000.00	
	PREPARATORY WORKING GROUP MEETINGS		
	- (3 virtual sessions)		
	a. Interpretation (online) & document translation	\$25,000.00	
	Sub Total:	\$25,000.00	
	CAUCUS MEETINGS		
	- (2 virtual sessions)		
	a. Interpretation (online) & document translation	\$15,000.00	
Sub Total:	\$15,000.00		
REGIONAL CONSULTATIONS			
- (2 virtual consultations each for 3 regions)			
a. Interpretation (online) & document translation	\$50,000.00		
Sub Total:	\$50,000.00		
2025	CONSULTANCY		
	a. Two consultants to write a follow up report and execute any additional action points post-ITTC 60 based on the feedback from Council from the previous year	\$70,000.00	
	Sub Total:	\$70,000.00	
	PREPARATORY WORKING GROUP MEETINGS		
	- (3 virtual sessions)		
	a. Interpretation (online) & document translation	\$25,000.00	
	Sub Total:	\$25,000.00	
	CAUCUS MEETINGS		
	- (2 virtual sessions)		
	a. Interpretation (online) & document translation	\$15,000.00	
	Sub Total:	\$15,000.00	
	REGIONAL CONSULTATIONS		
- (2 virtual consultations each for 3 regions)			
a. Interpretation (online) & document translation	\$50,000.00		
Sub Total:	\$50,000.00		
2026	Q2	PREPCOM I - (3 days outside of headquarters)	
		a. Meeting Facilities (incl. SIS Equipment)	\$120,000.00
	b. Language Staff (Interpreters/Translators)	\$120,000.00	
	c. Travel costs for Secretariat (incl. DSA)	\$125,000.00	
	d. Miscellaneous Expenses	\$10,000.00	
	Sub Total:	\$375,000.00	
	Q4	PREPCOM II - (3 days in Japan after ITTC62)	
		a. Meeting Facilities (incl. SIS Equipment)	\$120,000.00
	b. Language Staff (Interpreters/Translators)	\$120,000.00	
	c. Travel costs for Secretariat (incl. DSA)	\$0.00	
	d. Miscellaneous Expenses	\$10,000.00	
	Sub Total:	\$250,000.00	
2027	Q3	UNCTAD RENEGOTIATION I - (5 days in Geneva)	
		a. Travel costs for Secretariat (incl. DSA)	\$135,000.00
b. Miscellaneous Expenses	\$10,000.00		
Sub Total:	\$145,000.00		
2028	Q1	UNCTAD RENEGOTIATION II - (5 days in Geneva)	
		a. Travel costs for Secretariat (incl. DSA)	\$135,000.00
	b. Miscellaneous Expenses	\$10,000.00	
	Sub Total:	\$145,000.00	
	Q3	UNCTAD RENEGOTIATION III - (5 days in Geneva)	
		a. Travel costs for Secretariat (incl. DSA)	\$135,000.00
b. Miscellaneous Expenses	\$10,000.00		
Sub Total:	\$145,000.00		
2029	Q1	UNCTAD RENEGOTIATION IV - (5 days in Geneva)	
		a. Travel costs for Secretariat (incl. DSA)	\$135,000.00
b. Miscellaneous Expenses	\$10,000.00		
Sub Total:	\$145,000.00		
GRAND TOTAL:		\$1,525,000	

SCENARIO 1 EXPLANATORY NOTES:

1. Paragraph 3 (b) requires the inclusion of the composition and settings for the work of a Preparatory Group for future renegotiations. Scenario 1 refers to the establishment and the work to be conducted by a Preparatory Working Group, potentially for a period of 2 years until 2025. Council is to consider the current WG under Decision 4(LVIII) to undertake the tasks of the Preparatory Working Group. It is proposed the Preparatory Working Group meets virtually 2 or 3 times in 2024 and 2025 where interpretation and document/s translation costs will be incurred.
2. Two indicative roadmaps as required under Decision 4(LVIII) which include cost elements and timing for future renegotiations, are presented for Council's consideration and deliberation, attached as Scenario 1 and Scenario 2. The WG has recommended that the Council use Scenario 1 for its considerations on this matter. The procedural implications of expiry, extension and renegotiation of the ITTA is within the Background Paper attached as Annex 1 to this report.
3. The WG further recommended hiring the services of expert consultants to assist with the preparatory work and discussions to be held potentially over 2 years among members to identify the necessary elements to consider for a future ITTA, seek the views from non-ITTO members such as CPF members and other partners and to assist in information gathering on the regional consultations with members. The proposed activities for 2025 as outlined in Scenario 1 are to be reviewed by Council at the ITTC60 in 2024 based on the outputs from the PWG.
4. Regional consultations – 2 virtual consultations for each region (6 in total) are proposed for each year of 2024 & 2025 for Council's consideration to allow sufficient time for regional consultations. Again, the proposal for 2025 may be reviewed by Council at the ITTC60 in 2024.
5. Two Preparatory Committee meetings are proposed to be held in 2026, as outlined in Scenario 1 with 4 UNCTAD Negotiation Sessions proposed to take place between Q3 2027 and Q1 2029. If circumstances at that time dictate there is a need for more time beyond Q1 of 2029 if negotiations remain open, this proposal allows for the scheduling of an additional UNCTAD Negotiation Session as appropriate and necessary, if before the expiry of the extension period, a new agreement to replace the ITTA 2006 has been negotiated but has not yet entered into force, the ITTC may decide by special vote to further extend the existing ITTA 2006 in accordance with paragraph 3 of article 44 of the ITTA 2006 and in accordance with article 12 of the ITTA 2006 until the provisional or definitive entry into force of the new agreement.

Scenario 2 - No Consensus on the Extension of the ITTA, 2006 beyond 7 December 2026

TIMELINE AND ESTIMATE OF COSTS RELATED TO THE RENEGOTIATION OF THE ITTA, 2006

(in United States dollars)

Timing		Description	Estimated Expenses	
2024	Q1 ~	CONSULTANCY		
		a. Two consultants to write a report on evolving and relevant issues for the renegotiation of the ITTA	\$70,000.00	
			Sub Total:	\$70,000.00
	Q2	PREPCOM I - (3 days outside of headquarters)		
		a. Meeting Facilities (incl. SIS Equipment)	\$120,000.00	
		b. Language Staff (Interpreters/Translators)	\$120,000.00	
		c. Travel costs for Secretariat (incl. DSA)	\$125,000.00	
		d. Miscellaneous Expenses	\$10,000.00	
			Sub Total:	\$375,000.00
	Q4	PREPCOM II - (3 days in Japan after ITTC60)		
a. Meeting Facilities (incl. SIS Equipment)		\$120,000.00		
b. Language Staff (Interpreters/Translators)		\$120,000.00		
c. Travel costs for Secretariat (incl. DSA)		\$0.00		
d. Miscellaneous Expenses		\$10,000.00		
		Sub Total:	\$250,000.00	
2025	Q1	UNCTAD RENEGOTIATION I - (5 days in Geneva)		
		a. Travel costs for Secretariat (incl. DSA)	\$135,000.00	
		b. Miscellaneous Expenses	\$10,000.00	
			Sub Total:	\$145,000.00
	Q3	UNCTAD RENEGOTIATION II - (5 days in Geneva)		
		a. Travel costs for Secretariat (incl. DSA)	\$135,000.00	
b. Miscellaneous Expenses		\$10,000.00		
		Sub Total:	\$145,000.00	
2026	Q1	UNCTAD RENEGOTIATION III - (5 days in Geneva)		
		a. Travel costs for Secretariat (incl. DSA)	\$135,000.00	
		b. Miscellaneous Expenses	\$10,000.00	
			Sub Total:	\$145,000.00
		GRAND TOTAL:	\$1,130,000	

SCENARIO 2 EXPLANATORY NOTES:

1. Scenario 2 is included in the WG Report as required under Decision 4(LVIII) to inform Council of the cost estimates and timelines involved for the expiry of the ITTA 2006 on 6 December 2026, if no consensus on a final extension is achieved.
2. Scenario 2 involves a tight timeline, hence work to be conducted is condensed into the time available, commencing immediately in 2024. It is Council's prerogative to establish a Preparatory Working Group (PWG) in 2024, as members consider necessary and/or appropriate.

Annex 1

INTERNATIONAL TROPICAL TIMBER ORGANIZATION



**Background Paper for the Decision 4(LVII) Working Group on
Extension of the International Tropical Timber Agreement (ITTA) 2006**

INTRODUCTION

Pursuant to Decision 4(LVII) adopted by the International Tropical Timber Council (ITTC) at the 57th Session in December 2021, the International Tropical Timber Agreement (ITTA) 2006 was extended for a period of five years with effect from 7 December 2021 until 6 December 2026. Additionally, **an intersessional working group (WG) was established to assess the need for renegotiation or further extension of the ITTA 2006 under Decision 4(LVII), which presented its report and recommendations to Council at the ITTC57. The WG's duration was extended at the ITTC57 for an additional year through Decision 4(LVIII).** This working group has since met virtually five times over 2022 and 2023, on 8th June 2022, 14th July 2022, 9th February 2023, 6th September 2023, and 20th September 2023. These virtual meetings were complemented by several e-mail communications between the WG and Secretariat.

The WG held extensive discussions on several matters and reviewed the process undertaken during the previous renegotiations of the ITTA 2006, emanating from Decision 6(XXXIV) 2003.

The procedural implications of expiry, extension and renegotiation of the ITTA is as detailed below.

This document is to be taken as the background document referred to above. The relevant subheadings for members' information are as follows:

Procedures for Extending/Renegotiating the International Tropical Timber Agreement (ITTA), 2006

Article 44 of the ITTA 2006 defines the duration of the agreement and procedures for extension and renegotiation.

Article 12 of the ITTA 2006 Decisions & the Recommendations of Council states:

1. *The Council shall endeavour to take all decisions and to make all recommendations by consensus.*
2. *If consensus cannot be reached, the Council shall take all decisions and make all recommendations by a simple distributed majority vote, unless this Agreement provides for a special vote.*

Duration of the ITTA 2006

ITTA 2006 Article 44, Paragraph 1 states that the "Agreement shall remain in force for a period of 10 years after its entry into force unless the Council, by special vote in accordance with Article 12, decides to extend, renegotiate or terminate it in accordance with the provisions of this article." If there is full consensus, there is no need for a special vote.

- The ITTA 2006 came into force on 7 December 2011 and expired on 6 December 2021 (after 10 years).
- A Council Decision on the extension of the ITTA 2006 was accordingly adopted at the ITTC57 in December 2022, extending the Agreement until 6 December 2026.

Extension/s of the ITTA 2006

The ITTA 2006 Article 44 Paragraph 2 states that the "Council may, by special vote in accordance with Article 12, decide to extend this Agreement for two periods, an initial period of five years and an additional one of three years.

Furthermore, ITTA 2006 Article 44, Paragraph 3 states that if, before the expiry of the Agreement, "the new Agreement to replace this Agreement has been negotiated but has not yet entered into force either definitively or provisionally, the Council may, by special vote in accordance with article 12, extend this Agreement until the provisional or definitive entry into force of the new Agreement." Paragraph 4 states that if "the new Agreement is negotiated and enters into force during any period of extension of

this Agreement under paragraph 2 or paragraph 3 of this article, this Agreement, as extended, shall terminate upon the entry into force of the new Agreement.”

- **Council may decide, by consensus or by special vote, to extend the ITTA, 2006 three times:**
1. From 7 December 2021 to 6 December 2026, already approved by the ITTC under Decision 4(LVII);
 2. From 7 December 2026 to 6 December 2029; and
 3. Until the provisional or definitive entry into force of the new Agreement.

ADDITIONAL INFORMATION:

1. From the extensions of previous ITTAs, there is no notification period requirement as such.
2. The 1st party to be notified of any proposed extension is the UN ‘depository’ – the UN Treaties Office in New York.
3. Any renegotiation of the ITTA, being a commodity agreement, will be under the auspices of the UNCTAD, who will need to be notified when this decision is taken by Council. Upon consultation of the UNCTAD Legal Office by Secretariat, the UNCTAD Legal Office advised that their office will be highly pre-occupied in the years 2024 and 2025 with UNCTAD Council matters, hence advising to avoid this period for renegotiations.
4. The ITTA 1994 was extended three times:
 - a. Decision 4 (XXVIII) – from 1 January 2001 until 31 December 2003;
 - b. Decision 9 (XXXIII) – from 1 January 2004 until 31 December 2006; and
 - c. Decision 3 (XLI) – until the provisional or definitive entry into force of the successor Agreement (7 December 2011).

Background Information on the Renegotiation of the ITTA 1994

Steps taken during the renegotiation of the ITTA 1994 are as follows:

- Decision 4(XXXII) – Appointed two consultants to produce a report looking into work and mechanisms of other relevant Organizations and treaties, and identifying emerging issues and developments in international trade.
- Decision 8(XXXIII) – Adopted the schedule for the Preparatory Committee (see below), requested Members feedback, formed a working group including the legal advisor from UNCTAD.
- Budget allocations need to be made accordingly, including in the Biennial Work Programme (Decision 3(XXXIII)).
- The total budget for the renegotiation of the ITTA, 1994, was approximately \$1 million for travel, translation, and administrative costs related to convening the meetings indicated below. The budget was provided thorough voluntary contributions by Japan, U.S.A., Switzerland, and Korea, and through the Working Capital Reserve.

Note: The costs indicated above does not include the expenditure incurred by several Member delegations who attended all the sessions, so the actual costs are in excess of the approximate figure of \$ 1 million stated in the above bullet. The \$1 million reflects costs to the organization.

THE ITTA 1994 RENEGOTIATION CALENDAR

May 2003	34 th Council Session (6 days) + Producer/Consumer Coordination Meeting (1 day) + PrepCom I (2 days) Venue: Panama, 12-21 May 2003
November 2003	35 th Council Session (6 days) + PrepCom II (3 days) Venue: Yokohama, 3-12 November 2003
July 2004	UNCTAD Renegotiation I (5 days) Venue: Geneva, 26-30 July 2004
February 2005	UNCTAD Renegotiation II (5 days) Venue: Geneva, 14-18 February 2005
June 2005	UNCTAD Renegotiation III (5 days) Venue: Geneva, 27 June – 1 July 2005
January 2006	UNCTAD Renegotiation IV (12 days) Venue: Geneva, 16-27 January 2006

Annex 2

DECISION 4(LVIII) WORKING GROUP – ARTICLE 44 OF ITTA, 2006 – TELECONFERENCE I 9 February 2023

PARTICIPANTS:

Working Group (WG) Members

Producers:

Mr. Nurudeen Iddrisu, Ghana, Co-Chair (Chairperson of the Council)
Mr. Jorge Malleux, Producer Spokesperson
Mr. Wan Ahmad Asmady, Malaysia
Mr. Arsene Ewossaka, Congo
Mr. Pedro Antonio Plateros Gastelum, Mexico (alt. Mr. Alberto Julian Escamilla Nava)
Mr. David Fernando Urrego Hernandez, Colombia (alt. Mr. Andres Marmolejo) (absent)
Mr. Ray Thomas Fernandez Kabigting, Philippines (absent)
Mr. Angelo Paulo Sales dos Santos, Brazil
Mr. Ulysse Sinagabe O. Korogone, Benin
Mr. Yoga Prayoga, Indonesia

Consumers:

Mr. Keiran Andrusko, Australia, Co-Chair
Ms. Anna Tyler, New Zealand, Consumer Spokesperson
Ms. Catherine Karr-Colque, USA
Ms. Mahvish Madad, USA
Mr. Bjoern Merckell, Sweden (absent)
Mr. Jorge Rodriguez Romero, EU (alt. Ms. Nora Ricken)
Mr. Yasuyuki Kobayashi, Japan

Observers

Ms. Yoko Yamoto, Ministry of Foreign Affairs, Japan

ITTO Secretariat

Ms. Sheam Satkuru, Executive Director (ED)
Mr. Gerhard Breulmann, Director of Operations
Mr. Simon Kawaguchi, Finance/Administrative Officer
Mr. Tomiji Shudo, IT Assistant

TENTATIVE AGENDA

1. Update on WG members – Director of Operations
2. Brief review of the WG Report to Council at the ITTC58 – Moderated by Co-Chairpersons
3. Scope of work & Timelines for the WG and the ITTO Secretariat, based on Decision 4(LVIII):
 - Methodology to be used in seeking membership's views on extension AND/OR the renegotiation of the ITTA 2006 and its timelines
 - Discussion on cost estimations - review cost estimates already provided for a 2-year duration of the renegotiation process based on past renegotiations processes (2-year renegotiations commence in 2024 in preparation for December 2026 OR renegotiation to commence in 2028 in preparation for expiry of the ITTO in December 2029)
4. Discussion on paragraph 3(a) of Decision 4(LVIII) on the process and consultative review of the ITTA 2006
5. Next Steps and date of next virtual meeting

1. Update on WG members – Director of Operations

The virtual meeting was convened on Thursday, 9 February 2023 from 7:10 p.m. (Japan Standard Time) with the above participants. The ED welcomed the members and new members of the Working Group (WG) and advised the Co-Chairs that the Director of Operations (DO), ITTO, will quickly take the members through on the update of the WG before handing over to the Co-Chairs. The DO Gerhard Breulmann introduced the members of the WG starting with the producers: Nurudeen Iddrisu from Ghana, Co-Chair of WG as well as the council chairperson for the year 2023; Jorge Malleux from Peru, Producer Spokesperson; Wan Ahmad Asmady from Malaysia replacing Ms Habiba. Pedro Gastelum and Alberto Escamilla from Mexico; Yoga Prayoga from Indonesia; Angelo Paulo Sales dos Santos from Brazil; Arsène Ewossaka from Congo, David Urrego Hernandez from Colombia, Ray Thomas Kabigting from the Philippines and Ulysse Korogone from Benin yet to join at this moment. The DO summarized that there are 10 maximum nominees for the producer group. On the consumer side: Keiran Andrusko from Australia as the Co-Chair; Anna Tyler from New Zealand as the Consumer Spokesperson; Catherine Karr-Colque and Mahvish Madad from the USA; Jorge Rodriguez and his alternative from the EU; Yasuyuki Kobayashi from Japan with Yoko Yamoto and Akiko Tabata. The DO explained that Björn Merzell from Sweden is absent as he was not available on either of the two proposed dates. He also expected two more nominations pending on at this moment on the consumer side.

The ED asked if anyone has any observations to make. Ms. Anna Tyler reconfirmed that Mr. Kobayashi is here as the main representative instead of an alternative of Japan. The ED acknowledged her remarks. Mr. Romero, EU introduced his alternative Ms. Nora Ricken who joined the EC a week earlier, and that she will follow up on ITTO matters. He mentioned that he will send out her contact details to the members. The ED congratulated Ms. Ricken on joining the EC and passed the floor to the two co-chairs to manage items 2 onwards and that the Secretariat will be available at any time when necessary.

Mr. Nurudeen Iddrisu, Co-Chair for Producers thanked the ED and welcomed all to the WG 2023. He recalled the productive sessions from last year and referred to the report shared by Mr. Breulmann, which covered the meetings in June, July and during the council sessions. He thanked the Secretariat for putting the reports together as a comprehensive report. He said that his perspective is to look at the two major items already highlighted in the agenda: whether to extend the agreement now or to renegotiate. He also recalled that the producer countries were more for an immediate renegotiation, while he emphasized that he is simply trying to recapture the dialogue as a co-chair and not as one of the producers. He hoped that Mr. Malleux as the Producer Spokesperson can further elaborate on this later. He passed the floor to Mr. Andrusko.

Mr. Keiran Andrusko, Co-Chair for Consumers agreed with Mr. Iddrisu's remarks and added regarding one of the key recommendations from the report last year regarding the short survey conducted. Total of 11 views were collected and a reflection was needed to gather this year. He recalls that there was about 18 separate views from members, counting the EU as one. He reckons that this is certainly captured in the Decision and it is imperative to work on it quickly. He opened the floor for comments.

Mr. Iddrisu opened the floor for interventions on item No.2.

2. Brief review of the WG Report to Council at the ITTC58 – moderated by Co-Chairpersons

Ms. Cathy Karr-Colque, USA commented that the mandate should be clear to the WG, while a possibility for extension exists. Either with or without an extension, renegotiations can be considered. She thinks it is necessary to understand what that process would actually look like if actual expiration of the agreement were to occur.

Mr. Iddrisu commented that her remarks are well noted. He added that the report also captured very well on the items regarding the amendment, and that it may lead to votes by the membership to take major decisions. He agreed that procedure for amendments should be taken into account, as it can lead to some complications but also have some aspects of improving the ITTA. He passed the floor to the Secretariat.

The ED thanked Mr. Iddrisu and added that the other major point on amendments discussed extensively last year during both WG meetings is that proposing amendments, particularly on substantive areas of the agreement would more or less seem like a renegotiation. And national country procedures would require the full process of agreeing to those amendments prior to the amendments being adopted. She flagged that this is another caution for all the members of the WG to keep in mind.

Mr. Iddrisu passed the floor to Mr. Andrusko.

Mr. Andrusko thanked Mr. Iddrisu and commented that he agrees that the points raised certainly matters that were also discussed in the council session. He thinks those points are reflected both in page 9 of the report and the Decision, and flagged that there is a need to plan for the expiry as a potential outcome and noting those complications with amendments while having the same impact for some nations as actually renegotiating itself.

Mr. Jorge Malleux greeted the members and thanked the Secretariat for organizing the meeting, especially for facilitating the simultaneous interpretations which helps some members to participate. He also thanked for the reports and documents that were provided to the members, while he raised a couple of questions on the summary. He asked if the 27 EU countries' survey responses are included In the 11 responses received, and if each EU country had different opinions. Secondly, on the complete survey summary provided in Spanish and French translations, he said it is clear that each country has different opinions, and EU is of 27 separate countries. He also flagged that in the summary, it mentions that all the countries expressed that they did not agree with the renegotiation of the agreement; while in fact, not all countries agreed but rather were concerned and expressed the need for amendments to the agreement; hence there is a need to correct the report of the survey summary.

He also added that there are some very important issues that must be taken into account. It has been 11 or 12 years since ITTA 2006 came into force, and with the extension until 2026, it will become about 15 years old. During these 15 years many things have happened such the financial crisis, the pandemic and the members' non-payments which affected the organization. He mentioned that there is a whole continent that cannot pay up, and some of the establishment of ITTA 2006 are invalid today, hence there is a need for certain changes. He concluded that these are mentioned in the summary report as a good base to start, and suggested perhaps to carry out an additional survey. He added that his comments are recapturing what the Secretariat has presented.

Mr. Iddrisu thanked Mr. Malleux and invited Mr. Romero of EU to take the floor.

Mr. Jorge Rodriguez Romero thanked the Co-Chair and responded to the observation from Mr. Malleux in respect to the EU submission of the survey. He confirmed that the submission is on behalf of the 27 EU member states and that EU will continue to operate and intervene with a consolidated view to discussions. He further explained that the submission of the survey was by partial EU member states and not all 27. However the number of replies in favour of extension was overwhelming, but he had sensed that there would be another opportunity to discuss on this further which did realize today. He understood that there is a need for amendment when it is due for renegotiation, because the replies to the 2nd question varied clearly. Some replied no need for major amendment and others saw the need for amendment.

Mr. Iddrisu thanked Mr. Romero and invited the Secretariat for comments.

The ED said that Mr. Romero had preempted her reply and also acknowledged what Mr. Malleux said in recording the 11 responses. She said that the Secretariat will make the effort to correct and redistribute the report. It is the table of responses and the numbers that need to be adjusted, but Mr. Romero is correct that the result represents an overwhelming majority favoring the extension.

She continued on the second point that Mr. Romero mentioned. The Secretariat had mentioned earlier that certain decisions can be taken through council decisions to change the interpretation of the agreement, while of course, requiring consensus amongst membership to make certain changes through council decisions without disturbing the text of the actual agreement prior to the renegotiation process. She stressed that this is provided that the council decisions are explicitly clear and easily accessible to all memberships so that no one confuses whatever potential changes may or could be put in place.

Mr. Iddrisu thanked the ED and agreed to her remarks that captured what was discussed. He said the majority of membership agree on the extension according to the survey while some members of the producer group wanted to go into re-negotiation immediately. However, the problem is the issue on time i.e. unavailability of UNCTAD in 2024 and 2025, even if the work towards renegotiation is started now. He emphasized the need to start discussing now. He passed the floor to the Co-Chair of Consumers.

Mr. Andrusko thanked Mr. Iddrisu and commented that the discussions are very much focusing on the survey questions of last year, which is a good place to start. At the last council session, point two of Decision 4 essentially focused on request of the intercessional WG with the support of the Secretariat to collect further views on whether members would support a renegotiation and or final extension of the agreement as per article 44. He thinks that the focus is very much on question two and as the ED mentioned, there are three possibilities there, renegotiation, amendment or council decision.

That question is, are there any fundamental amendments needed under the current agreement. He thinks this is potentially a good place to start whether or not the current survey questions are suitable for collecting further views as they are. So far the survey was successful at essentially capturing what was needed to answer under the mandate. He suggested to keep the changes to a minimum, but also to look at other ways in which can invite more views, through other engagements as well as future WG sessions. He then opened the floor for discussions on item 3 of the agenda, regarding the methodology to obtain new or more views.

3. Scope of work & Timelines for the WG and the ITTO Secretariat, based on Decision 4(LVIII)

Mr. Iddrisu thanked all the members' inputs and asked for any further comments from the floor. He passed the floor to Mr. Malleux.

Mr. Malleux said that the questions in the survey were very simple, but it led to talk about very important subjects. He agrees that if there is no majority towards renegotiation, there is no clear decision for renegotiation which was the case of last year. During the ITTC 58 council in Yokohama, it became clearer on the opposition, at least amongst the producers at the drafting meeting. He said that every opinion implied the need to renegotiate the agreement, while it is unknown whether improvements can be made through amendments. He thinks it is positive to accelerate the amendment process despite its complexity, as the alternative would be renegotiation or the extension without any amendment nor update on the agreement. He concluded that there exists a majority for the necessity to improve or update the agreement. The agreement is reaching 15 years old in 2026 and the organization will face very important challenges in terms of tropical timber.

Mr. Iddrisu questioned Mr. Malleux, whether personal or from the Producer Caucus perspective. On the matter of renegotiation there are two options: 1. to commence it now looking towards Dec 2026 by the time the first extension would have elapsed, or 2. continue to do series of transitions through council decisions and have more time towards the renegotiation in 2028. He reminded that UNCTAD is unavailable during 2024 and 2025, and questioned which option he is for.

Mr. Malleux thanked the Co-Chair for the question which he thinks is very important and pertinent. He explained that amongst the producers, they are working towards a consensus, while it is clear that sooner or later, there will be a need to renegotiate the agreement, whether that happens in 2026, 2029 or 2030. It is unknown how much longer the extension can be done. Secondly, it is also clear that all members agree that

the agreement needs to be updated which can be substantially improved through amendments or renegotiation. The problem is that most of the consumer countries think how costly and difficult it would be to start a renegotiation. Hopefully the organization is leaving the period of financial crisis. He reiterated that some delegations will be busy in 2024-2025 when the WG is in work process for the agreement. He suggested a possibility of having a preparatory group for a decision whether to expand, amend or start immediately on the renegotiation. He said that the problem now is the timeline which has to be decided. Waiting until 2029 for the renegotiation means 20 years with the same agreement without any modification nor amendment, and an update is desperately required especially for the internal problems of negotiation. He added that although ITTO is an entity associated to the UN system, it cannot use those advantages. For example, ITTO has no direct access in terms of participation in UN or Climate Change Forums. He emphasized that there is a need to modify the agreement as per discussed in the drafting group meetings, which led to this debate now.

Mr. Iddrisu passed the floor to the Secretariat.

The ED asked a quick question if the members experienced an overlap of Spanish interpretation over the English as it was difficult to hear. She said it could be a glitch on the Zoom system but proceeded with some questions while it is being sorted out. She brought the attention to what Mr. Iddrisu pointed out, that there were at least two members who had agreed to an extension, but made a conditional dependent on the response to question two on whether fundamental changes are needed to the agreement. In other words, the extension is agreed, but with a reservation depending on discussions on what fundamental changes needed to be made in the agreement. She suggested an idea to ask whether these two members still feel the same or not, to see if the majority of the members are on the same page or not. She recalled that at the WG session during ITTC 58, one producing member wanted to start renegotiating straight away and that producer member is also represented now in this WG. She suggested to ask that producer member whether that is still the view of that particular member. She referred to Mr. Malleux's comment on the idea of having a proprietary WG to decide on whether to extend or renegotiate this agreement. She reminded the members that it is actually the mandate of this WG, and therefore it would be a duplicative effort by another proprietary group to do the work that is already being handled by this WG. She flagged also on one critical point to clarify on the timing. If membership agrees that the agreement be extended for the final three-year period until December 2029, then renegotiations will need to commence in 2028 at the latest, to allow a two-year period so that there will be a renegotiated agreement ready to be put in place when the ITTA 2006 expires in December 2029. She repeated this important point to the members that the current agreement will expire in December 2026. The question put to membership is, do we extend it for a further three years until 2029 as allowed by the UN processes, in which case there is no need to consider renegotiation now. If membership doesn't wish to extend it for the final three years, then renegotiations need to commence, at the latest by January 2025, to allow the two-year period. Alternatively, if membership feels it needs a longer period to renegotiate, then that would have to commence in 2024. As Mr. Iddrisu mentioned earlier and also noted in the report, UNCTAD has already made it very clear that they are unavailable in 2024 and 2025 being occupied with their own councils and encouraged ITTO not to commence negotiations. In which case, if membership then decides that a final extension should be agreed to, that final extension will come into place from January 2027 until December 2029. In that instance, renegotiations must commence, at the latest in January 2028, in order to be ready for December 2029. She explained that if membership feels that more time is required for the renegotiation process, then the renegotiations would have to recommence in 2027.

She proceeded to the next bullet point, on the cost estimates submitted to the WG last year, based on the actual expenditure incurred more than 20 years ago. She highlighted that the data considered and discussed are historical, and currently in 2023, the cost have changed considerably such as flight and hotels, while considering the duration necessary for the membership to meet which is generally one to two weeks. She flagged that is one important point that the past figures of over a million dollars was only what the Secretariat incurred, while many delegations attended the negotiation process and multiple meetings by bearing their own costs. This meant if a member brought a delegation of 10 members, over six meetings of approximately a week or two weeks each, then the math speaks for itself. She explained that considerable organization

costs were spent for producers to attend, meaning their attendance was financed by membership. She raised a question for the memberships' deliberation: would membership be willing to do that again this time?

Mr. Andrusko thanked the ED and the Secretariat and passed the floor to the United States.

Ms. Karr-Colque questioned the survey in particular, the points to consider for the additional outreach. She suggested it could be useful to look into the answers already collected in the initial responses, to review if any ideas are already provided. For example, the third question that was included on the first survey about whether project mission procedures should stay the same, while there were other things that were brought out in terms of the structure of the organization, the financing and others that could be listed separately. She thinks rephrasing the question might be helpful i.e., without the use of the word "amendment" because it already talked about doing an amendment, which is a mechanism for it, as opposed to focusing on what are the changes that might be needed to update or alter the agreement.

Then she asked what would be other mechanisms to collect views, if the WG had discussed on it earlier. Finally she questioned on the reasons why UNCTAD is unavailable in 2024 and 2025.

Mr. Andrusko thanked Ms. Karr-Colque and suggested quickly to answer her questions. He recalled what has previously been done for the negotiations leading up to ITTO 2006, and one of the things that was requested from the members was to consult and collect views widely from other entities that they engage with, regardless of which industry and other international organizations. The idea was brought up last year by the EU, to gain perspectives on the ITTO and views more broadly. He recalled that in the past leading up to ITTO 2006, consultants were engaged to do that work. He handed the floor over to the Secretariat.

The ED thanked the Co-Chair and also for the questions from the United States. She replied to her question on UNCTAD that there are only two people in their legal department at this stage, to a surprise. Also they tied up with ongoing negotiations, particularly on UNCTAD council related, which are scheduled for 2025 with preparations in 2024. As they are severely understaffed, the UNCTAD legal advisor has sent a response in writing to say, "please avoid entering any renegotiation process in 2024 and 2025." The ED agreed with the Co-Chair that last year she did suggest to look outside membership, ask other organizations that the ITTO works with, particularly members of the CPF, as to how they view the ITTO and what is it about the ITTO that makes them want to work with or together as project partners. And conversely, what is it that they do not like about the ITTO? She said that she can already provide anecdotal evidence from quite a few of these organizations that do not like the ITTO. Firstly, on the makeup of the ITTO, secondly on the mandates. Half of the mandate doesn't suit the needs of several large UN and non-UN based donors. However she still thinks it would be useful to run a survey to demonstrate to the audiences. She suggested to appoint an independent party, rather than the Secretariat itself for the sake of anonymity. She explained that she has done some interviews i.e. recently for CIFOR-ICRAF, for the UNFF Secretariat on the midterm review of the IF and the implementation of the UNSPF, which included both the strengths and weaknesses of the CPF.

And they were all conducted through independent consultants so that their identity is not revealed. All the interviewers were encouraged to be as honest and as candid as possible, so the final report would not be attributed to the people who contributed the views to them. And of course the consultants who were putting this report together would be very careful in not actually giving away the identity even though names are not mentioned. She provided an example, "if I did an interview and I keep talking about sustainable tropical timber and legal and sustainable supply chains, it would become immediately obvious who I am, even though Sheam Satkuru or the ITTO is not mentioned". She flagged this as a caution for the consultants to be alerted on. Then she suggested if membership is agreeable, this can be undertaken as soon as possible. She added that she has already done a favor to two CPF membership organizations and ITTO is active in the CPF circle, she has no doubt that at least some of them will be on ITTO's favour, which will affect towards the outside cycle.

She continued, for membership itself, they were asked to consider whether a more in-depth review would really be realistic because last year's questions were pretty straightforward as mentioned by Ms. Karr-Colque. Some of them were made intentionally open-ended so that members don't get too much focused on one issue and also simply to avoid confusion on what to answer. She suggested to reach out to the members who did not respond to last year's survey with the same questions. She added that interestingly, after running the consultations with Latin American members late last year, a number of them came in with responses to the survey way beyond the deadline reason being that they had missed the submission deadline. Therefore she suggested to focus this year on WG's consideration making a much stronger effort to reach out to the countries that did not respond. After the discussion at the council, WG and the report submitted to council, the members may wish to change some of their responses, having had time to think about.

She continued that ITTO had looked at other international organizations in what they did to either renegotiate or extend their agreements, meaning commodity agreements. She made it clear last year to the WG that is very difficult to compare the ITTO with other agricultural commodity organizations, as half of ITTO's mandate are sovereign resources and the other half is legal and sustainable supply chains while the other commodity organizations are straightforward on commodities i.e., sugar, coffee cocoa. She added, for the edification of the newer WG members, the International Cocoa Organization, which was previously based in London actually relocated to Abidjan, Côte d'Ivoire following a renegotiation of their agreement but again, their membership structure is far simpler and their mandate is much more straightforward compared to the ITTO.

She explained that most of these commodity organizations are basically pricing mechanisms for the commodities that they deal with and to help their members gain market access and competition to determine market prices. But the Secretariats of these commodity organizations keep their membership appraised on basically market prices and supply and demand issues. The mandate of the ITTO is far more complex compared to those organizations. The Secretariat agrees that there may be some areas within the agreement that could do with updating definitely, without encouraging amendments to the agreement.

The simpler, straightforward way would be through council decisions, as Mr. Malleux said, at some point renegotiation of the agreement is required, but it may be very disadvantages to the organization if renegotiations commences immediately because that would run straight into a lot of the international agenda items where forestry is now central, but ITTO is not getting enough deserved and valued attention that tropical forestry should be getting, particularly in climate and biodiversity talks. In order to capitalize on this, then there is a need for ITTO to work very hard to access some of the funding without entering the renegotiation process.

She continued, that historically, whenever the agreement was renegotiated, the voluntary contributions became scarce. This is due to donor member countries assuming that nothing is actually certain, and anybody would rather have some certainty before proceeding to offer voluntary contributions. However if the membership is confident that entering the renegotiation process can be completed quickly and efficiently for the benefit of the organization, then the Secretariat does not see that would be the case this time.

She concluded that leaving it to commence the renegotiations in 2027 or 2028 of course will carry that same uncertainty in terms of funding, but at least it would allow the Secretariat to move forward currently between 2024 at least until 2026 or 2027 in the efforts to secure partnerships that can bring funding into the organization. Leaving it any later will be too late. It is not so easy to secure the sources of funding, but all efforts are being made with the GEF and the GCF while response is still pending to the request on having the ITTO included as an implementing partner or agency. There is no guarantee that anything will move fast in the next six months, but ITTO will work very hard and will not let things pass by.

Mr. Andrusko thanked the ED, and also for her offer to assist there with collecting more views from other members. He recapitulated that there are four concrete proposals for assisting the survey and collecting more views. 1. The suggestion from the US to slightly amend question two from fundamental amendments

to fundamental changes; 2. To collect more views from other members; 3. An anonymous survey that could target CPF members in other organizations; 4. To summarize the views collected so far. He thinks they were provided in a table as an annex of the report of the last council session, and suggested summarizing those and to see where there are some similarities between the responses gathered so far. He then passed the floor to the EU.

Mr. Romero thanked for all the helpful interventions and said that he would support the process to request additional views on the survey from those who had not replied, who wish to add more information or to update or change their views due to the process in the discussion at the council. He thinks that the questions are generally useful, but open to adjustments if needed.

He continued that there are two different things: one is whether to have the extension for the last time until 2029, which is independent to a certain extent as amendments can be proposed by membership at any point, some can be done through a council decision and some not. He said for the EU, the view is clear that they would like the current agreement to be extended so to have more time for reflection on what kind of amendments are needed. Considering also the limitations of UNCTAD's availability, it would be rushing into a process in the next couple of years not prepared for and it would be extremely time-consuming and financially burdensome. He said the EU prefers basically to devote in the next coming couple of years to strengthening the organization.

He also added that without prejudice he supports the idea of collecting view form the CPF membership already this year, which can be very valuable to identify elements that also need reinforcement on good recommendations for the next council session. He summarized that the EU supports the idea of collecting additional views from membership on the basis of the survey that was circulated last year or slightly amended; collecting views from the CPF; and the extension by 2029 so to have a bit more time for reflections.

Co-Chair thanked Mr. Romero for the very clear comments. He passed the floor to the order of the United States, Peru, then Brazil.

Ms. Karr-Colque asked if the cost for a consultant to outreach external organizations is already within the budget allocated for the WG or if it need to be funded separately with another decision to have the resource for that.

The Co-Chair thanked the United States for the question and asked if the Secretariat wants to quickly answer the question.

The ED thanked Ms. Karr-Colque for the very pertinent question, and said that she thinks the resources made available through Decisions 4(LVIII) and some remaining from the previous, will be able to undertake at least the external survey of CPF members and relevant international organization's views. For memberships, there is a language issue, which could be worked on.

Mr. Breulmann intervened that it also depends on what the WG decides.

The ED agreed with Mr. Breulmann, and said that it would depend on how extensive this work will be although she does not foresee it to be too extensive because basically it is complimenting the work that was done last year. For the members that do speak English, the Secretariat can take care fairly easily, while last year the French and Spanish views were also handled without problems.

She quickly pointed out on what Ms. Karr-Colque has raised earlier. The views of certain members on what fundamental changes would be needed in the agreement are actually in that summary table that is annexed to the report. She offered to pull them out for clarity on what was identified, and attach it to the minutes of this meeting.

The Co-Chair thanked the Secretariat and passed the floor to Mr. Malleux.

Mr. Malleux thanked the Co-Chair and he commented that they have a consensus about having that survey, not only to increase the amount of questions and opinions, but also just to figure out if anyone has changed their minds which would help them take a decision. He said, as seen in the report, the producer's caucus started this conversation when there were no clear view on whether to start immediately with renegotiation or not. Conclusion was made after deliberations in the producer's caucus during the 58th council and the drafting group, after a clearer position was figured out. There are quite a few producer countries who have not responded to this survey and he thinks they should have the opportunity to do so, in order to have more ideas both from producers and consumers.

He continued, referring to what the ED mentioned. The Secretariat recognizes that the ITTO needs to make improvements in operations and instructions. He asked the Secretariat if they could kindly send them some ideas about what areas can be improved so they can discuss with the ED on those areas without opening a renegotiation and without starting a process of amendment. He thinks that the proposal from Ms. Karr-Colque is very adequate, and that perhaps the questions can be structured differently. Questions on necessary changes on financial areas, budget management or the participation from the members on the voting rights. Maybe three or four options that can be included in the surveys so to provide the best orientation to the people who are going to respond to the survey.

He said he does not know whether to ask open questions, whether the question should be anonymous, but suggested to see some examples from other institutions in the same context. He suggested an idea to organize a meeting, sponsored by the ITTO to invite different international organizations to talk about climate change, deforestation, and tropical timber, illegal logging, etc. which may present the views of these international organizations. Obviously, the results of that meeting would not be binding, but it would be very valuable information for the organization.

Co-Chair thanked Mr. Malleux and reflected on the few good suggestions for the Secretariat to respond to. He channeled the floor first to Brazil, then Japan and for any further interventions before returning to the Secretariat.

Mr. Angelo Santos greeted good morning from Brasilia. He said Brazil wants to start by echoing what Mr. Malleux mentioned, and Brazil totally supports the work of his WG. He flagged that the mandate of the WG must be kept in mind which is to assess the need for renegotiation or further extension of the agreement. He also supports the idea of reconveying the survey, including those member states which have already answered. He explained that they had the opportunity in December to meet and to discuss their views in presence and perhaps some members may have changed their views. Those who have not answered may feel more comfortable to express their opinions, but also the survey should focus on the mandate of this group.

He also supports the idea of consulting other organizations as other views are always important to the process, but this process must be driven by member states. He highlighted that all the members were present in Yokohama last December either in person or virtually and he could see that member states, particularly the producers had difficulties engaging with this organization in keeping up with the contributions. He explained that the producer's group still thinks that the organization needs to regain its focus and the best way forward is to start renegotiating the agreement. Renegotiation will bring up many difficulties, but it must be faced and not taken as an obstacle for the organization to restart this process. He said that Brazil supports the work of the WG and is committed to find the best solution.

Co-Chair thanked Mr. Santos for his comments, support and participation. He passed the floor to Japan.

Mr. Yasuyuki Kobayashi commented that Japan agrees to the current agreement to the end of 2029. Having said that, it is unavoidable to renegotiate after 2026. He thinks to continue to have a substantial discussion

is very useful to know on some missing elements in the current agreement. Japan thinks that ITTO needs to have a clear, basic views from members on this point, what amendment needed in the future. Also it is important to collect the responses to the survey from as many members as possible by, for example, resetting the deadline again. And also to allow the members which have already submitted the answers, to update their views. His understanding is that the last negotiation took three years, so to get into the renegotiation process smoothly after 2026, there is a need to start the review process early, and try identifying the missing factors for the effective operation of this organization.

He continued that Japan believes that in order to enhance the function and the presence of the ITTO in the international setting. For example, as climate change and the recovery of diversity loss have become the two global agenda now, we can consider how to enhance these elements in the activities of the ITTO and how to respond to the commitment of the SDG goals, including contribution to decarbonization by updating this organizational rules and activities. He concluded that by updating the function and activities of ITTO in response to today's global agenda, this organization can expand its partnership with private sectors and enhance its visibility in the global environment, and expect more financial motivation from all sources. Japan believes this is a very important point maintain a sustainable operation of this organization.

Finally as he also announced in the last council, Japan is ready to provide the financial contribution with US\$75,000 for the review activities, since the supplementary budget has been approved in the Diet. The process of payment of this contribution is due at the end of March.

Co-Chair thanked Japan and commented that their contribution will be well appreciated by all members of this WG, thanking on behalf. He recalled that there was a number of questions earlier, for the Secretariat.

The ED thanked the WG members and the Co-Chairs for their submissions and the queries that some have raised. She requested to take them one at a time.

On the first point, she said that as it was proposed by the Secretariat to increase outreach to members who have not responded, and to those who may want to change their submissions from last year, it will definitely be conducted without question.

She thanked the members of the WG who are supportive of doing an external outreach attempt, with either members of the CPF, other international organizations that ITTO is in contact or work with. This could include civil society organizations and NGOs to survey their views on the value that they see in the ITTO. The critical question of whether to extend or renegotiate, will not be posted to these external contacts, because this is an issue for the membership. Basically what to explore with these external organizations is whether the ITTO mandate is appropriate or attractive enough for these external entities. She added that the value of ITTO will be highlighted and it is possible to contribute to the international agenda with the ongoing work, with no changes to the agreement.

She moved on to the next comment raised by Mr. Malleux and said that although she had mentioned in her previous submissions that ideas are there to improve the agreement to make ITTO a bit more favorable to the outside world, but it is not what the Secretariat is proposing. This is what the Secretariat has been told anecdotally, and it is also within the responses that came from its own members submitted through the survey last year. She explained that in those survey responses, there are a number of key areas that have already been proposed. She suggested when the minutes of this meeting is disseminated, to extrapolate a few of the key areas that have been identified already by the membership and the anecdotal evidence which matches what members have identified.

She continued to the next point raised by Mr. Malleux. She encourages that the external survey be done anonymously, because some organizations may feel shy to say what they truly feel about the ITTO. She gave an example where she was assured of anonymity when doing a survey for the CPF and the midterm review on the UNSBF and the IAF. She was very honest in her response because no references would be made and

the consultant assured that any potential giveaways to the ITTO would be removed. She concluded that this is the approach to take if honest views are expected from the external organizations.

She moved on to the next point raised by Brazil on the process being driven by member states. If the WG mandate the ITTO to consult external entities, that would be an instruction coming from the WG for the benefit of the organization, therefore this is totally within the WG mandate. Regarding one of the WG members with difficulty in engaging with ITTO and in need to regain its focus, she said that this is for the membership's consideration as this concerns council approval on how to move forward with it. She welcomed any ideas on how to approach the issue and was open to explore.

She then moved on to reply to Japan's submission. She thanked Japan for the additional US\$75,000 which would go towards the work to be conducted on the review of the ITTA 2006. As mentioned last year, the work is committed and two to three different consultants may be required for the effective implementation of the ITTA 2006.

She continued that what she has in mind is basically one consultant from a producing country to review the take from the producer countries' point of view, one from the consumer countries in order to balance what the consumers may potentially think should change. And another one should be a completely independent consultant who has worked on the international level who can assess ITTO with as a third person.

She added that ITTO is not quite at the level where it deserves, and that there are several factors that have influenced that. However ITTO is happy to undertake this work, and agrees that this review process should commence as soon as possible, but wanted to have this WG meeting first in order to set the parameters in to continue with the work that needs to be undertaken for the rest of this year.

She continued on to the next point raised also by Japan, to enhance the position of the ITTO in terms of the international global agenda. She said that this is one area in which last year during the WG discussions, it was mentioned that the preamble section of the ITTA 2006 is still very much in date and up to speed. This is because when the ITTA 2006 was renegotiated, the membership had a very progressive thinking to have a lot of these work areas already covered.

She suggested, in order to strengthen the work in those areas, the WG can consider to strengthen those areas through council decision so that the focus on the global agenda is clear and definite in the next two or three years when funding are still available. She added that there are billions being funded around the world without clear indication of where those funding are going. ITTO should be included in the implementation of some of that work. She also reminded the membership that a lot of the work through the billions that are pledged at the different talks, some only touches part of the ITTO's mandate. She referred back to what she mentioned earlier, that there are some parts of ITTO mandate that some donors do not like unfortunately. However to many of the members, stakeholders and interested parties, that part of the mandate is critically and crucially important, in order to support eradication of poverty, enriching livelihoods and to increase the trade element of it in order to bring in revenue for the member countries.

She continued that this can be a debatable issue, but ITTO is very conscious of the areas in which it can contribute. She highlighted that ITTO would appeal to membership to support for the two different mandates its bound with, and hopes that the donor organizations and the member countries itself would see that the mandate is married, and not separate. The 50 plus the 50 makes the 100% of the ITTO's mandate. She hoped that all membership would also advocate this to the larger donors in the world that are supporting mainly protection of forests and not sustainable use of production. She asked for any questions.

Co-Chair Mr. Iddrisu thanked the ED and commented that the WG has reached a good progress in regard to item No.3. methodology. He summarized that they have almost reached a consensus on reaching out to member states to further collect their views regarding the question that was put across in the last survey, with slightly adjusted questions to include other items. It may need to review the ideas submitted in regard

to making improvement to ITTA 2006, but that is for the council's consensus instead of going through an amendment which may later lead to renegotiation. He then took the floor to item No.4. He passed the floor to Ms. Karr-Colque before moving on.

Ms. Karr-Colque commented that on collecting additional views, most members of WG did respond, but would be great if all countries of WG can respond as they clearly are thinking about this issue. One alternative is to project some categories for questions that are based on different sections of ITTA. It could reflect on the section of the agreement such as objective, structure, governance, membership participation, operation and activities, funding, legal aspect. This would be a bit more structured to the question without being too leading. She said that another benefit of the external survey is that it helps to think ahead on the preparatory work for the renegotiation.

Co-Chair Mr. Iddrisu thanked Ms. Karr-Colque for the good submission. He requested her to put the ideas on the questions in writing for submission to the Secretariat as per the last time. The initial three questions are to be maintained, but the additional questions can be put into writing, submit to the Secretariat, discuss, and in the next meeting selection on which questions can be send out to members and the external entities can be decided. Same procedure as the last time, except that this time includes sorting out the responses in regard to making improvement of the ITTA agreement. He addressed the membership that they can begin thinking through the sort of questions to add. He passed the floor to Mr. Malleux who had his hand raised.

Mr. Malleux thanked the Co-Chair and he commented that they have come to a consensus on the need to have a revised survey, for participation by all members. He commented that, for instance on the first question, if the question is if one agrees with an extension then by default those who don't agree with the extension is for a renegotiation. Therefore the question should be "Do you support an extension or a renegotiation?"

He suggested that all members are provided with copies of the summary that was sent out by the Secretariat as well as that on the discussions here today, and also a summary of the discussions during the council in Yokohama so that all the members would have all the background and nuance on the different positions on this. In that way, the Secretariat, was also concerned, thinking on what should be improved but that doesn't mean there should be a huge change to the agreement and was said to happen. He thanked the Secretariat for the helpful information provided, which could start introducing a few improvements to make the organization more efficient in the operationally. He explained that there are very serious issues that must be solved. This is from the last five to ten years where a whole continent, Africa, not paying the contributions and not being able to participate in projects. This problem is complex and cannot be solved with what is established in the agreement. If there is an extension until 2029, some change must be taken to improve the situation, otherwise the same problems will persist in the future.

Mr. Iddrisu commented that the ED already pointed out that it is critical if we begin negotiating now, as the signal is the unpleasant credibility for the audience. But even so, it is possible to start working on to form the negotiation towards the extension dates. Looking at 2029, the mechanism for the negotiation should start in 2027. He added that the issue on Africa should be worked on but he believes that the element of reforms will be taken care by the Finance and Administrative Committee. He recalled vaguely that a WG was already setup to handle the issue and requested for the Secretariat's confirmation. Hence he suggested to request the membership to express more interest in what ITTO does. He also recalled that a colleague from Brazil preferred to start renegotiation now, but considering the current situation encountered by the organization which is important, he feels, perhaps their view may be readjusted for a general consensus. Then he addressed the discussion to Item 4.

Mr. Andrusko thanked everybody and reminded the group that there is about 30 minutes left of interpretation services. He summarized that there is a consensus with the three questions, and moved onto Item 4, on the process and scope for consolidative review of ITTA 2006. He recalled that there had been some discussion on conducting a consultant review soon. The information provided in the summary report from last year, there are some useful information from the Secretariat that outlined the two preparatory and two

committee meetings. He recalled there were four actual renegotiated meetings, the WG and three consultancy reports altogether. He opened the floor for discussion, inviting the Secretariat to begin with.

4. Discussion on paragraph 3(a) of Decision 4(LVIII) on the process and consultative review of the ITTA 2006

The ED thanked Mr. Andrusko and said she has nothing to add. She said in addition to what she had said earlier, ITTO proposed one consultant to focus on the consuming countries, one to focus on producing countries, and a third consultant for the international level. In terms of the completion of the reports, the WG report clearly stipulates that the inputs to council on this particular matter should be ready by September, because the membership requires the reports two months in advance. She thinks, however, the two months in advance request was due to having no full consensus on making that final extension to the agreement until 2029. Things can change now if the new survey is sent out and some members wish to commit to actually extending until 2029 and commence renegotiating in 2027, then that two month in advance submission may not be necessary. She concluded, however, it would be safer for the WG to complete its work by September of this year in order to afford at least two months notice to mention.

Mr. Andrusko thanked the Secretariat and passed the floor to Mr. Malleux.

Mr. Malleux commented that he quite does not understand the reason for this item, part 3 a), as the ED had mentioned on the preference of having a consultation, while the best moment to make the consultation would be after receiving the answers to the survey, having more exhaustive information to work on, so they can reach their conclusion on the basis of those answers.

Co-Chair Mr. Andrusko thanked Mr. Malleux for the concrete suggestion. He believes that there might be more time in the process, potentially an early consensus on the need or preference to extend, which may be of a factor. He then passed the floor to Mr. Romero.

Mr. Romero commented that this paragraph 3 a) in the mandate is part of the preparatory roadmaps of this WG, the steps to entail a review whether the agreement is extended or not, which will include certain steps to gather information that will serve the members to take decision in the context of the amendments. His understanding of this item 3 a) is regarding the initial views from membership and potentially from other organizations.

Mr. Iddrisu commented that Mr. Malleux's point is well noted. Since an extended survey will be carried out, it would be better to hang on to the consultant come on board later, but only in the perspective of the consultant for the producer and consumer caucus. The other consultant reaching out to CPF and other external groups can commence their work because that would even help get more element about how other agencies think about the ITTO, which may also help the consultants for the caucuses for a more in-depth work. He said he totally agree with what Mr. Malleux mentioned.

Mr. Andrusko thanked Mr. Iddrisu, and commented that seems sensible. He believes the suggestion from the Secretariat earlier was in line with what Mr. Malleux suggested. He passed the floor to the United States.

Ms. Karr-Colque thinks that the survey that will be continued can help inform any further steps for 3 a) to identify some issues. In terms of some of the other items, 3b), c), and d), she suggested if it is possible for the Secretariat to make basic versions. She presented the document from session 58/5, a simple table on page eight that just lays out what the timeline was for the ITTA 1994 session and it dealt with the council decision, coordination meeting and all the negotiating sessions. She thinks this may help start the work on item 3 to have the Secretariat put something together for the three options that were laid out in the mandate or a renegotiation that would happen before the current extension runs out.

It is in the mandate of the WG to consider the timeline to 2026, then to 2029 and then the process for expiry if there isn't an extension, further extension, whether or not renegotiation happens. She suggested this as a starting point to work backwards and replicate what is on the table. As the Secretariat mentioned, the estimate that are included here are based on the historical perspective and that would need to be updated. Therefore she suggested to adjust the numbers multiplying by inflation, as per basic cost estimate which the Secretariat can hopefully figure out as appropriate.

Co-Chair Mr. Andrusko thanked Ms. Karr-Colque for a very sensible suggestion. He said he actually had prepared that table and expanded a bit. He thinks that various cost elements should be added such as other processes that preceded the actual council session in May 2003, the renegotiated WG that was before that, and the council sessions that took some decisions around some of the earlier reports, as all those would be useful. He concurred to the suggestion and as no more comments were expected, he handed back the floor to the Secretariat.

The ED thanked all the members of the WG and the Co-Chairs as well. She said there is no problem in creating the cost estimate, but due to the unclarity on whether to extend the agreement until 2029, it is required only for the negotiating process to commence in 2027. Another set of cost estimate will be required if starting in 2024 to 2026 is considered.

She raised what Ms. Karr-Colque said on working backwards from 2029, but that also would be on the assumption of having consensus to extend until 2029. As it is still unclear whether all members of the WG are agreeable to that because there has been one dissenting view expressed. She said, as Mr. Andrusko suggested, they could work on tentative numbers for renegotiation to commence in 2027 based on the currency values of today with inflation included compared to 2003 or 2002 when the last estimates were compiled. And when reporting to the council, a caveat that this can change overnight must be informed. The current flight prices are incredibly high as well as the hotel costs compared to before the pandemic. She concluded that it depends on when the renegotiations will be held, and take into account all the possibilities and highlight to council that these are estimates based on real issues that have been taken into consideration.

Co-Chair Mr. Iddrisu gave the floor to Mr. Malleux.

Mr. Malleux agreed to what the ED suggested, to put it in with a caveat to council, and keep open the different alternatives. He stressed that the immediate start of renegotiation is to be considered because there had been no consensus with the producers preferred to start the process as soon as possible. He said this is the reason why he suggested to make a preparatory group, and he has no problem if this WG is it. But in either way, in the terms of reference, the mandate is to prepare for the renegotiation, so this would be an advance kickoff of the renegotiation process. He said it would be convenient to have all the information until 2026, so that from that year on they are not starting from scratch, but with a solid basis of deliberations.

Mr. Andrusko thanked Mr. Malleux for that suggestion. He concluded the WG should keep both options open for now, but potentially reassess it once more views are received and that the Secretariat could support in preparing some of those initial elements.

5. Next Steps and date of next virtual meeting – Moderated by Co-Chairpersons

Mr. Andrusko informed the members that there is eight minutes of interpretation left and suggested to move on to the next steps. He summarized the steps as: collecting more views on the survey, potentially bringing on a consultant to help start with that work, preparing roadmaps and those elements that are Item 3 of the decision. He asked the floor if anyone wants to add anything and suggested to move onto the next dates of the meeting. He invited Mr. Iddrisu for inputs on sensible timeframes, keeping in mind on reopening of the survey, collecting more views, etc.

Mr. Iddrisu intervened and asked if the Secretariat would like to comment on the last submission by Mr. Malleux. He explained that Brazil preferred renegotiation immediately and that he requested Brazil perhaps to reconsider that. However since Mr. Malleux brought this issue up again, he advised the Secretariat to take us through some of the cons in this case of renegotiation at this stage.

The ED thanked Mr. Iddrisu for highlighting the issue. She gave the floor first to Brazil.

Mr. Santos does not think there is a mandate to decide whether to renegotiate or extend to 2029. The mandate is to advise and report to the council. He reaffirmed his initial position that it is better not to start renegotiating a new agreement right now. A decision of the council is still necessary, which he understands that will occur at the end of the year. Brazil prefers to start renegotiating after the decision, although this is not a decision to be taken. He stressed that the mandate is to assess what implications of both opinions are. He concluded that Brazil's position is still to renegotiate a new agreement for improvements as per many producers have expressed the same at the council meetings.

Mr. Andrusko thanked Brazil and agreed that the mandate of the WG is exactly as pointed out. He then led the Secretariat to the last agenda item, date of the next meeting.

The ED thanked the Co-Chairs and said that since the WG has agreed to focus on collecting views from membership, related matters will be communicated in about one to two weeks time. The Secretariat will start sending requests out to members, firstly to those who had not responded. Then those who had responded already will be asked if they would like to make any changes to the submission made previously.

The two consultants who will work with the producing and the consuming countries will have to wait until the survey results are received, as per correctly pointed out. This would require at least a month to respond to the survey. She said that last year it was too short like two weeks, due to time limitation which some members may miss or forget to respond in time. Then the Secretariat would require, a two-week compilation period. And the international consultant for outreach can commence in about a month's time because it may also be useful to have a summary of what the members' views are when s/he reaches out to other international organizations, because most of the members are also members of other international organizations. She thinks that it would be quite interesting to compare membership views to other international organization such as the UNFF. She suggested the second meeting to be around May, and that it will be kept updated. She added that if a need toward an earlier discussion arises, membership will be notified highlighting on the discussion points, either electronically or in a short virtual meeting depending on the availability. Otherwise, consultation will be by email. She continued, from thereon can move forward with the work the consultants have done and target to complete that by June followed by another WG meeting sometime in July to wrap things up by the end of August, so that reports can be disseminated to membership by September. She hoped that meets the expectations of the WG.

Mr. Iddrisu intervened and questioned if the survey will be strictly according to the three questions that were sent out. He recalled that the WG agreed to broaden the questionnaire.

The ED apologized that she was very conscious of the time running out for the interpretations. She replied that there is every intention of incorporating what has been suggested today in terms of broadening the question. The list of questions will be cleaned up and will be sent to all members to review. Ms. Karr-Colque's suggestion will be incorporated and printed as well. She assured that the Secretariat will try and revise slightly that particular angle of the question and send it out by the end of next week. Then, once all members are in agreement, the survey can be commenced. She hoped that is clear to all members.

Mr. Andrusko invited Mr. Malleux to speak.

Mr. Malleux agreed with the ED, that he would like to receive the questions in advance to discuss amongst the group before sending them to the members.

Mr. Andrusko thanked Mr. Malleux and passed the floor to Mr. Kobayashi.

Mr. Kobayashi thanked the Co-Chair and commented that Japan prefers the next meeting at the end of April and not in May because they will be busy in May with many international meetings such as G7 Summit, and preparation for that.

Mr. Andrusko said that Japan's comment is well noted. He thinks also in early May there is the UNFF, which a number of members may be at as well. He passed the floor to the Secretariat.

The ED noted Japan's remarks and said that she will contact the WG and suggest some dates avoiding May. She also said that end of April will be too soon because many delegates will go on leave for the Easter holidays. She agreed that the UNFF is in May and the Secretariat have a lot of work in terms of actual outreach with membership and other international commitments and events. She then suggested to look at early June or mid-June, before the summer break, without imposing any date.

Mr. Andrusko thanked the Secretariat and asked Mr. Iddrisu if he wants to add anything. Mr. Iddrisu said he has nothing to add, and advised Mr. Andrusko that he can close the meeting.

Mr. Andrusko thanked everyone for their time and constructive input which made a good progress for a clear way forward. Then he closed the meeting.

The WG was adjourned at 9:47 p.m. (Japan Standard Time)

**DECISION 4(LVIII) WORKING GROUP – ARTICLE 44 OF ITTA, 2006 --TELECONFERENCE II
6 SEPTEMBER 2023**

Participants

Working Group (WG) Members

Producers:

Mr. Mohd Nurudeen Iddrisu, Ghana, Co-Chair
Mr. Jorge Malleux, Peru, Producer Spokesperson
Mr. Ulysse Sinagabé O. Korogone, Benin
Mr. Angelo Paulo Sales dos Santos, Brazil
Mr. Arsene Ewossaka, Congo
Mr. Alberto Julian Escamilla Nava, Mexico (alt. Mr. Jorge Ruiz Morales)
Ms. Luz Stella Pulido Perez, Colombia
Mr. Yoga Prayoga, Indonesia
Mr. Wan Ahmad Asmady, Malaysia

Consumers:

Mr. Keiran Andrusko, Australia Co-Chair
Mr. Yasuyuki Kobayashi, Japan
Ms. Catherine Karr-Colque, USA (alt. Mr Daniel Carl)
Mr. Mahvish Madad, USA
Mr. Jorge Rodriguez Romero (alt. Mr. Anne-Theo Seinen/ Ms. Nora Ricken), EU
Ms. Maria Alcala-Galiano, Spain
Mr. Björn Merzell, Sweden

Observers:

Mr. Hiroyuki Saito, Japan
Ms. Akiko Tabata, Japan
Mr. Ruben Dario Guerrero Useda, Colombia
Mr. Muhammad Aminurrasyid Bin Zulkeflee, Malaysia
Mr. Siti Nor Bushra Binti Ismail, Malaysia
Mr. Muhammad Zahrul Muttaqin, Indonesia

ITTO Secretariat

Ms Sheam Satkuru, Executive Director (ED)
Mr Gerhard Breulmann, Director of Operations
Mr. Simon Kawaguchi, Finance/Administrative Officer
Mr. Steven Johnson, Director of Trade and Industry
Mr. Tomiji Shudo, IT Assistant
Ms. Miwa Tsukui, OED Assistant

AGENDA

1. Opening & update on WG members (Executive Director)
2. Review of the minutes of Feb 2023 meeting
3. Discussion on survey results
4. Discussion on extension/renegotiation roadmaps (cost estimates, timelines)
5. WG Report to ITTC 59

Summary of meeting

1. Opening & update on WG members (Executive Director)

- Co-Chair Keiran Andrusko (AUS) opened the meeting, welcoming all the WG participants and reminded the WG of its mandate as specified in Decision 4(LVIII).
- Simultaneous interpretation was not arranged for this meeting due to the fact that none of French and Spanish speaking members had confirmed their attendance/participation at this meeting by the stipulated deadline in the meeting notification email and those who confirmed attendance are all good English speakers.
- Ms Anna Tyler (NZ) conveyed her apologies for not being able to attend as she was ill.
- Ms Catherine Karr-Colque conveyed her apologies for not being able to attend as she was ill and Mr Daniel Carl attended on her behalf.
- The suggested meeting on the 11/12th September will not be necessary as approximately 95% of the WG the members are in attendance at this meeting.

2. Review of the meeting minutes from 9th February

- Several WG members were impressed with the detailed and comprehensive meeting minutes of 9th February 2023. Co-Chair Nurudeen observed that action points would be useful if it was added to the 9th February meeting minutes. The ED responded, stating that the action points are in sub-heading 5 of the meeting minutes on Next Steps, acknowledging that they could be summarized, as in the last 2 bullet points in her cover e-mail to all members dated 8th August 2023, as follows:
 - To seek consensus on the extension of the ITTA 2006 until early December 2029
 - To seek consensus on conducting an in-depth review and member consultations on the key elements outlined by the majority of members.
- If the above is not achievable, then the alternative would be to seek consensus on the re-negotiation and when that process should commence, based on the timeline and cost estimates circulated by the Secretariat on Friday 1st September 2023.
- The members of the WG were reminded of the key outputs from the Feb meeting, as follows:
 - To obtain more detailed views from ITTO members through a more extensive survey where the WG members and the Secretariat will work closely on drafting the necessary questions for members' consideration.
 - To consider seeking the views from partner/collaborative organizations, i.e. potentially CPF members and other non-CPF organizations who regularly work/collaborate with the ITTO.
 - Members are to be given at least two months to respond to the extensive survey.
 - The need to consider the timelines for the completion and dissemination of the report, as stipulated in Decision 4(VIII), i.e., two months prior to the commencement of the ITTC 59.
- In response to a question from Co-Chair Andrusko on seeking the assistance of consultants and on seeking external (non-members) views based on discussion held at the 9th February meeting, the ED responded that use of consultants to analyze the key elements raised in the survey and to consult members further where appropriate can only commence when:
 - Views from members are received upon completion of the extensive survey to be conducted where the WG and Secretariat will work closely in drafting the necessary questions and agree on the deadline to be set (as agreed at the 9th February WG meeting);
 - The survey for non-members can be actioned but it is doubtful if completion can be achieved by the ITTC59. One of the WG members, at the 9th February meeting, had highlighted that matters relating to the ITTA 2006 are a membership concern, hence only members' views should be taken into account in reaching a decision on whether to extend the ITTA 2006 until early December 2029 OR to plan for a new agreement to be in place by early December 2026 upon expiration of

the current ITTA 2006. Based on this, members were given the highest priority, hence two extensions past the first deadline of 2 months upon the survey being sent out were granted to members in order to facilitate this process, aimed at obtaining meaningful feedback from as many members as possible.

- Additionally, there are 15 CPF members and when including other regular partners/collaborators, this increase to between 25-35 organizations that need to be consulted. The current timeline prior to the ITTC59 is tight, hence this work can be undertaken in either Q4 of 2023 or H1 of 2024.

3. Survey results and discussion on survey results

3.1 Survey Results

- Following the two extensions beyond the stipulated deadline, Secretariat reported that the survey succeeded in obtaining a 70 % response from members, being the best result in ITTO's history for such an exercise.
- On the matter of extending the ITTA 2006 until December 2029, the basic breakdown is as follows:
 - Producers: 14 yes, 6 no
 - Consumers: 32 yes, 1 no
- In total, 46 members agreed to extend the ITTA until December 2029, highlighting the key elements in the ITTA 2006 which will require attention in preparation for negotiations on the successor ITTA while 7 members disagreed on a further extension for various reasons.
- Malaysia's response, agreeing to the final extension until December 2029, was not included in the survey results sent out to members on 8th August, as this matter had to be tabled at the Malaysian Cabinet, which took some time, resulting in Malaysia's response being received after the initial results of the survey had been sent out to the WG members.
- A total of 17 members failed to respond to the survey.

3.2 Discussion on survey results

(a) Those for renegotiation

Out of the 20 producers who responded to the survey, 14 members (including Malaysia) favoured a final extension to the ITTA 2006 while 6 producers disagreed. This represents 54% of all producers (37 in total). Despite this, the Producer Spokesperson stated that the survey results did not yield a clear position on the producers' part. He additionally requested an extension of the WG mandate by another year for the following reasons:

- The need for the WG to conduct more in-depth analysis of the responses that were received from not only the producers but also from the consumers as, even if the majority of countries were in favour of extending the ITTA 2006, most expressed that they would like certain parts of the agreement changed/amended. The ED reminded the WG to focus on its mandate, as contained within Decision 4(LVIII).
- It was not a matter of just numbers of how many countries support renegotiation and how many support an extension. The cost of negotiations, as raised by the consumers previously, should not be the deciding factor since this is such an important matter where the survival of the ITTO is on the line; such costs should be covered by reducing expenses or choosing countries that are low-budget to host the meetings to carry out this important work of the WG, who should review the responses in more detail to really make the decision on whether renegotiation is needed or not.
- Even if 60% of producers who responded agree to the extension, it must be noted that 17 producer members have not responded and the WG cannot agree to support an extension when the response rate was so low. In addition, some countries had confusing responses where they are saying they are

- in favour of extension but also in favour of renegotiating some key elements in the current ITTA 2006 - that should be broken down too with more research and meetings.
- Even if most were for extension, around 98% of the responses are saying “we need important and fundamental changes.”

Brazil has not sent its response due to the fact that they are still assessing on which option is best (extension or renegotiation) and they were in agreement with the Producer Spokesperson that the extension of the WG and the ITTA 2006 requires further consideration.

(b) Those for extension

Co-Chair Keiran Andrusko, also conveying information from the Consumer Spokesperson, stated that the consumers overwhelmingly favour an extension for the following reasons, supported by the US, the EU, Spain, and Japan:

- It is not just a matter of the budget and cost but due to the technical and difficult issues that come with the renegotiation, and the time it takes for renegotiation, more time will be needed to discuss these issues. Hence, an extension is the most practical, sensible and reasonable option.
- It is clear from the survey responses that most respondents support the final extension of the ITTA 2006. Negotiations and renegotiation processes always needs sufficient time for substantial discussions and enormous investment in terms of human resources and financial costs. At the same time, since there is no further possible extension of the current agreement beyond 2029, Japan believes that our reviewing work should continue so that we could well prepare for future negotiations, taking into account the elements and points that the members have raised in the survey result for further consideration.
- The ED clarified that producer members who support a final extension but highlighted key elements that require further consideration/future amendments in each survey are not requesting that such amendments are to be made immediately. Rather, the elements highlighted are to be considered in preparation for and during the negotiations process, when that commences.
- Both Co-Chairs of the WG urged WG members to focus on the mandate of the WG as contained within Decision 4(LVIII) and the actual results of the survey.

(c) Outcome of Discussions

- The outcome of the surveys clearly indicates that 96% of consumers and 60% of producers are in favour of extension. The statistics are undeniable and this will be reported to Council with a recommendation to extend the ITTA 2006 until December 2029. The Council will decide on this important matter, and not this WG.
- On the intervention made by the Producer Spokesperson, supported by Brazil, that the WG should be given more time to conduct an in-depth analysis on the survey responses prior to reporting to Council, hence the report to be disseminated to members two month prior to the ITTC59 as stipulated under Decision 4(LVIII) should be delayed and submitted as all other Council documents 6 weeks prior to Council, it was agreed that conducting an in-depth analysis is not within the mandate of the Decision 4(VIII) WG. This work will be undertaken by the preparatory committee/s and in-depth reviews are to be conducted once the recommendation for the extension is agreed upon by Council and preparations for renegotiation is initiated.
- It was agreed by the WG that the Council report should be disseminated to members by mid-September 2023, two months prior to ITTC59 commencing, as specified under Decision 4(LVII).
- The Producer Spokesperson stated that it is probable that many producers did not respond due to language difficulties. The ED stated that the WG must focus on the factual results of the survey through responses actually received. She doubted very much that language was a barrier as all survey documents and communications on this matter were always provided in ITTO's three

languages. Producer countries were given 3 deadlines to respond, including individual consultations and communications with African, Latin American and some Asian members. Most producers made the effort to respond and despite Secretariat's efforts, some failed to respond – it does not seem to be due to language difficulties.

- It was confirmed that all members of the WG participate as their country representatives and individual WG members do not represent caucus members collectively when providing inputs to the WG's work and tasks unless expressly requested/authorized to do so.
- A summary of all the main elements highlighted by all survey respondents is to be included in the WG report to Council.

4. Discussion on extension/renegotiation roadmaps (cost estimates, timelines)

1. Proposal by the Secretariat, based on consensus on a final extension of the ITTA 2006 until December 2029:
 - 2024-2025 – Consultants to be hired to conduct an in-depth analysis of the survey responses and clearly identify matters for discussion/consideration of the (to be extended) WG, recommending to Council the key elements for the Preparatory Committees to be established by early 2025.
 - H1 2025 – H1 2027: Preparatory committee/s undertake prep work of looking into key elements from the survey responses with an estimated 6 virtual meetings to be held to save costs and/or 2 in-person intersessional meetings (in addition to Council sessions) to be held during this period if funding is made available.
 - H2 2027 – November 2029: Renegotiation process.
2. Proposal by Japan, based on consensus on a final extension of the ITTA 2006 until December 2029:
 - 2024-2025: Preparatory discussions to be held over 2 years among members to identify the necessary elements to consider for a future ITTA. Two or three intersessional meetings to be held in 2024 to identify which elements should be tackled for future negotiation by narrowing down discussion points.
 - From 2026: Start an extensive consultative review intensively, to be done in time for the ITTC62 in 2026.
 - Three and a half years is necessary for the negotiations before the expiry of the current agreement based upon consensus on a final extension until December 2029. The Council needs to decide in 2029, consistent with paragraph 3 of Article 44 ITTA 2006, that the current ITTA 2006 will remain in force until the new ITTA comes into force. All negotiations and legal scrubbing needs to be completed during this time.
 - It is too late to start the preparatory committee in the second quarter of 2027 as it will be only 2.5 years until the ITTA expires and it will be too tight considering the required time for legal scrubbing.

The ED clarified that Secretariat's draft cost estimates were solely for the re-negotiations process, allowing 2.5 years for actual negotiations. Preparatory Committee/s meetings, when included from 2025, on the assumption that such Committee/s meetings will be held virtually intersessionally and held in person during Council meetings allows 5 years in total for the Preparatory Committee/s and negotiations.

5. WG Recommendations and Report to ITTC59 (Action Points)

Following extensive, constructive, and explanatory discussions thorough both meetings of this WG on matters withing its purview under Decision 4(LVIII) mandate on this complex topic, the majority of the WG members expressed a continued preference for a further extension of the ITTA 2006 until 2029 for several reasons (as outlined in the Minutes of both meetings), as contained in the WG's Report to Council ITTC(LIX)/5.

Taking all the WG's deliberations into consideration and based on the response to the members' survey, the WG agreed on the following **recommendations to be made to Council at the ITTC59, consistent with paragraph 3 of Decision 4(LVIII)**:

1. For Council to extend the ITTA 2006 from its current expiration date of 6 December 2026 until 6 December 2029.
2. The WG recommends to the ITTC59 to extend the work of this WG as the Negotiations Preparatory Group for a period of two years until 2025 in order to advance the preparatory review work, including fact-finding and analysis based on elements and interests raised by members. This Negotiations Preparatory Group is to submit a report to Council at the ITTC60 in 2024 and the ITTC 61 in 2025.
3. The WG recommends that Council considers the Roadmap entitled Scenario 1 on page 8 of this report to guide Council and members in this complex process, moving towards 6 December 2029. Two indicative roadmaps as required under Decision 4(LVIII) which include cost elements and timing for negotiations, are presented for Council's information, consideration and deliberation, attached as Scenario 1 and Scenario 2. The procedural implications of expiry, extension and renegotiation of the ITTA is within the Background Paper attached as Annex 1 to this report.
4. The WG recommends that if Council is agreeable to consider the indicative Roadmap Scenario 1, this Roadmap is to be reviewed by the Negotiations Preparatory Group on an annual basis at each Council Session and to make recommendations for Council's consideration as appropriate and necessary.
5. The WG will recommend to extend this WG with a revised mandate for another year until 2024.

This report summarizes the discussions and recommendations of the WG, consistent with Decision 4(LVIII), for consideration by the ITTC 59.

A draft Decision will be proposed to the WG reflecting the recommendations of the WG, to be discussed at the ITTC 59.

PREPARATORY ROADMAPS FOR BOTH POTENTIAL EXPIRY DATES AND INFORMATION ON THE PROCEDURAL IMPLICATIONS OF EXPIRY, EXTENSION AND/OR RENEGOTIATION OF ITTA, 2006 (paragraph 3 of Decision 4(LVIII))

Two preparatory road maps, already circulated to WG members on 1st September 2023 for their consideration, will be for both potential expiry dates of 2026 and 2029. Procedural implications of expiry, extension and renegotiation of the ITTA will be included, as will cost elements and timing for renegotiation. Following discussions at this meeting, the cost estimations and timelines were revised and sent to the WG together with the draft Report to Council.

Documentary preparation for the ITTC59

Secretariat will do its best to prepare a draft report and its recommendations for the ITTC59 and circulate to WG members by the end of this week if possible or early next week for the WG's consideration. The Secretariat noted that if the WG decides they are not able to finalize a WG Report prior to the stipulated dissemination date of 2 months prior to the ITTC59 commencing, then reasons for the delay would need to be included in the report (e.g. Delay in members responding, etc.).

Secretariat advised the WG members that the WG report will need to be finalized by **Friday 15th September 2023** to enable dissemination to members by **Monday 18th September 2023**, thanking the WG members in advance for their continued collaboration and cooperation.

As no matters were raised under the last agenda item of Any Other Matters, both Co-Chairs thanked all the participants at the meeting and closed the meeting at 21.00hrs JST.

**DECISION 4 (LVIII) WORKING GROUP – ARTICLE 44 OF ITTA 2006 – TELECONFERENCE III
20 September 2023**

Participants

Working Group (WG) Members

Producers:

Mr. Jorge Malleux, Peru, Producer Spokesperson (absent)
Mr. Angelo Paulo Sales dos Santos, Brazil
Mr. Wan Ahmad Asmady, Malaysia
Ms. Eirna Yani Mohd Arip, Malaysia
Ms. Siti Noor Bushra Ismail, Malaysia
Mr. Jorge Ruiz, Mexico
Mr. Arsene Ewossaka, Congo (absent)

Consumers:

Mr. Keiran Andrusko, Australia Co-Chair
Mr. Yasuyuki Kobayashi, Japan
Ms. Catherine Karr-Colque, USA (alt. Mr Daniel Carl)
Mr. Mahvish Madad, USA
Ms. Nora Ricken, EU
Ms. Maria Alcala-Galiano, Spain
Mr. Björn Merzell, Sweden

Observers:

Mr. Hiroyuki Saito, Japan
Ms. Yoko Yamato, Japan
Ms. Akiko Tabata, Japan

ITTO Secretariat

Ms Sheam Satkuru, Executive Director (ED)
Mr Gerhard Breulmann, Director of Operations
Mr Steven Johnson, Director of Trade and Industry
Mr. Simon Kawaguchi, Finance/Administrative Officer
Mr. Tomiji Shudo, IT Assistant
Ms. Miwa Tsukui, OED Assistant

AGENDA

1. Naming of the new working group and its duration
2. The need for Regional and Caucus consultations
3. Preliminary Schedule for the work to be carried out in 2024

The meeting commenced at 19:03 pm JST - the ED opened the meeting, updated on the attendance of WG members and handed over to Co-Chair Keiran Andrusko to chair the meeting. Matters discussed at this meeting are:

1. Re-naming the working group for 2024 and its duration

Naming

The name of the new working group will be named “The Preparatory Working Group”

Background: as suggested by the US and agreed by all

- to keep it as simple as possible is
- it is distinct from the current working group and relatively non-specific

Duration of the working group

To rephrase Paragraph 2 so that it has a nuance to potentially extend the Working Group for a period or initial period of one year until 2024 with an option to extend further into 2025.

Background:

Malaysia: to make sure that consultant work and consultations are carried out in 2024 and not in 2025 and reported at the ITTC 60 so that if the result is not satisfactory, it can be decided by council decision to continue more consultancy work also in 2025.

US: to ensure that in the first year an intensive and more inclusive, in-depth ITTA review is carried out.

2. The need for Regional and Caucus consultations

Secretariat stressed the need for regional or caucus consultations:

Regional consultations: will assign spokespersons and consultants in order to maintain a form of neutrality and to gain a more consolidated approach amongst the producing regions. These are particularly necessary in the producing regions because of language differences as a way of easing the communication to conduct more extensive work and hear members’ views on why some members did not respond to the members survey and what their priorities are. The target countries would mainly be Africa, Spanish speaking countries and also four Asian countries who had not responded to the members survey.

Timing of the consultant work and preparatory group will be: meeting three times, virtual sessions, and two times caucus meetings, virtual session, and two times regional consultation. This will be discussed at the ITTC 59 as the timings would be determined having allowed sufficient time for the reports to be completed and also on members’ availability in order for them to attend the caucus meetings. The process described in the proposed scenarios could shift and this a discussion that should be carried out at Council and between the caucuses with the spokespersons present.

3. Preliminary Schedule for the work to be carried out in 2024

Although the timings were decided to be discussed at the ITTC 59 as above, Japan requested that it would be helpful to have a preliminary schedule drawn up just for reference although the timings might change so that they have a basic idea of the work that lies ahead. Secretariat also believes that this is necessary seeing that the US\$ 75,000, which Secretariat believes is from Japan's Emergency Budget Funds, generously provided by Japan, would need to be used by March 2024. Paragraph 2 of the draft report includes suggestions where work on seeking the views/inputs from non-members such as the CPF and other partners who usually collaborate with the ITTO can commence relatively soon. The ED gave an example where if work were to commence from later this month, we would need to have the survey questions ready to be disseminated at least by December so that the consultant/s will be able to consult, compile and analyze the responses and look deeper into whatever else that needs looking deeper into and potentially get this report ready by early March so that all payments can be made where this particular task is considered done. Secretariat estimates that this would cost between US\$ 25-30,000 and suggested that the remainder +-US\$ 45,000 can be used for three regional consultation sessions in 2024 with producer countries where the first session prior to March 2024 could be with the African countries (as this region has the most number of members who did not respond to the Members' survey and it is important to hear their views) so that the amount of funds can be utilized.

Secretariat clarified that any consultation, even if held virtually in the first quarter of 2024, will still incur expenditure for translation of documents and interpreters. For the other regional consultations (particularly for Latin America), more funding would be required for documentation and translation and this can be discussed at ITTC59.

Japan responded that they agree that the Emergency Budget Funds should be used for consultations to the CPF members, non ITTO members and other partner organizations but not for the regional consultations as they believe it is only beneficial to producer members. Secretariat explained that it is actually beneficial to all members to obtain information on why African/producing countries are not responding or paying their assessed contributions. Australia agreed with Secretariat. However, Japan confirmed that they could not agree at this moment for the funds to be spent on regional consultations and would like to discuss this matter separately with the Secretariat on another occasion. At this moment they would prefer that the remaining Emergency Budget Funds be spent on preliminary meetings instead.

Modifications to be considered:

Japan

-paragraph three, "To task a new working group," understanding seems a little bit strange compared to that paragraph two, "which will extend the current working group as preparatory group," and that we don't see some specific merit in creating a different working group. We'd like to have a consistency between two paragraphs. We prefer expressions such as, "Tasks the working group" or "tasks the renewed working group,".

-on 3 a) add "preliminary evaluation of the modality of the ITT 2006 review process".

-3 b) should be conducted in a budget efficient manner and to put "additional" before "need for regional or caucus consultations prior to the start of the ITTA 2006 review process".

-Paragraph 2 – take out the word "objective" from "objective preparatory review work" as members request subjective opinions as well.

-Paragraph 4 – take out the word "renegotiation" as "renegotiation" contradicts Paragraph 1 where the recommendation is to extend the current ITTA 2006, so that the sentence should read "The WG recommends

that Council use the indicative Roadmap Scenario 1 on page 8 of this report to guide Council as the basis for further consultations in the ITTA 2006 review process.”

Page 8 Explanatory Notes paragraph 5 – it should be noted that the whole negotiation needs to be completed before the 2029 Council meets to provide enough time for the new agreement to replace the current ITTA, according to Article 44, Paragraph 3. Secretariat explained that this paragraph was inserted bearing in mind that there are external factors that could affect our working schedule and with the intent for negotiations to end by the 1st quarter in 2029, allowing sufficient time for legal scrubbing and for membership to start consulting their governments on the ratification process etc., with the hope that the Agreement can be finalized and approved by Council before 6 December 2029. ITTA 2006 will continue to subsist and through a Council decision it will then be informed to all members and the UN Repository Office that the old agreement will subsist until the new one is ready for adoption. It's just to give the working group the heads-up that we cannot control a process that is actually due to be completed six years down the line, guaranteeing the completion of negotiations in Q1 2029.

US

-To clear up the language and be more specific on what exactly the mandate should be. They consider that the first year should be spent on a more in-depth analysis of the survey responses.

-Paragraph 2 to say “The WG recommends to the ITTC59 to extend the work of this WG as the Preparatory Working Group for a period of two years until 2025. And then Paragraph 3 to have the mandate.

-To encapsulate 3a and 3b together and delete 3b so that we have that first action on collecting further views and then we have the second action on making further recommendations as appropriate on the modalities of the ITTA 2006 review process etc., including format, timing, location, and the need to consult with regional caucus or need to hold regional or caucus consultations prior to the start of the review process.

Secretariat

-Paragraph 3 to say “The working group recommends that Council review the mandate of the Preparatory working group at the ITTC 60 and the ITTC 61 (and based on this review to task future work)”. Paragraph 3 b to be reworded as the need for further regional or caucus consultations moving forward will definitely be necessary and this detail will be in the Scenario 1/draft decision to be taken by Council.

Actions needed:

Secretariat will make the necessary amendments based on deliberations at this meeting and inputs from the WG members and circulate the amended version by end of Thursday 21st September 2023.

WG Members are urged to respond with feedback by Friday 21st September with minimal changes if possible, only commenting on key elements. The Final WG Report is hoped to be ready by Monday 25th September 2023 for circulation to all members.

Meeting ended at 20:46 pm

Annex 3 – Survey Questions & Combined Members’ Response to the Extended Survey 2023

Survey Questions

1. Please state if you agree to a further extension of the ITTA 2006 from December 2026 until December 2029

Yes

No – Please explain your response, including whether:

a) You support a full renegotiation under the auspices of UNCTAD OR

b) You support Amendment of the ITTA 2006 by the ITTC in accordance with the procedures outlined under Article 40 of the ITTA 2006

2. Do you think the ITTA 2006 and its subsequent implementation require any fundamental changes?

Yes – Please clearly explain your response and what improvements/changes should be made and how these changes should be made (renegotiation, amendment, or Council decision)

No

Please indicate your preference to any fundamental changes that your government feels are necessary to improve the efficacy and the implementation of the next International Tropical Timber Agreement (ITTA), by ticking the appropriate boxes and providing the appropriate explanation/clarification:

a. OBJECTIVES AND SCOPE (Art. 1)

Do you believe that the current objectives and scope as contained within the ITTA 2006 are still applicable for the next ITTA?

Yes

No - they need amending and updating (Please clearly explain your response and what improvements/changes should be made).

b. GOVERNANCE STRUCTURE (Art. 3, 6, 7, 8, 9)

Do you believe that the current governance structure of the ITTA 2006 and the governance policies of the ITTO are sufficient and effective?

In answering this question, please be mindful that several ITTC decisions have resulted in ITTO’s governance structure being significantly strengthened in recent years through its Financial Rules, the ITTO policies, the continuing role of the Informal Advisory Group and the establishment of the ad hoc Advisory Group under decision 8(LIV) relating to the Financing Infrastructure.

Yes

No - (Please clearly explain in your response what improvements/changes should be made and please be specific which governance matters you are referring to, whether in the ITTA 2006 or in relation to the ITTO regulations, rules and/or policies).

c. MEMBERSHIP STRUCTURE (Art. 4, 5)

Do you believe that the current membership structure of the ITTA 2006 is sufficient and effective?

Yes

No - (Please clearly explain in your response what improvements/changes should be made and through what process).

d. VOTING PROCEDURES (Art. 11)

Do you believe that the voting procedures of the ITTA 2006 are sufficient and effective?

Yes

No - (Please clearly explain in your response and what improvements/changes should be made and through what process).

e. FUNDING (Art. 18-23)

Voluntary contributions to ITTO have decreased significantly in recent years. Do you believe that the current funding structure under the ITTA 2006 needs to be revised for the next ITTA?

Yes - (Please clearly explain in your response what improvements/changes should be made and through what process).

No

f. POLICY WORK, OPERATIONS & ACTIVITIES (Art. 24-26)

Do you believe that the current operations of the ITTO and activities are aligned to the ITTA 2006 and global developments, AND remain fit for purpose?

Yes

No – (Please clearly explain in your response what improvements/changes should be considered from the operational point of view to be closer aligned with the ITTA 2006 and global developments AND/OR what fundamental changes need to be introduced to be closer aligned to global developments).

g. PROJECTS ACTIVITIES OF THE ORGANIZATION (Art. 25)

Do you believe that projects and activities of the ITTO under the ITTA 2006 are sufficient and effective?

Yes

No - (Please clearly explain in your response what improvements/changes should be made and through what process).

h. COMMITTEES AND SUBSIDIARY BODIES (Art. 26)

Do you believe that the current structure, functions, and roles of the committees and other subsidiary bodies under the ITTA 2006 are sufficient and effective?

Yes

No (Please clearly explain your response and what improvements/changes should be made - and through what process).

i. LEGAL/OTHER ASPECTS

Please identify any legal aspects and/or other aspects that should be considered in preparation for the next ITTA.

j. OTHER ASPECTS

Please identify any other aspects that should be considered in deciding whether to extend the agreements, amend the agreement, or negotiate a new agreement.

Members Response to Survey

Survey Results Summary

Producers

Criteria	Yes	No
Question 1 - Agreement to Extension	14	6
Question 2 - Changes needed	10	10
Question 2a - Objectives and Scope	13	7
Question 2b - Governance Structure (Art. 3, 6, 7, 8, 9)	15	5
Question 2c - Membership Structure (Art. 4, 5)	16	4
Question 2d - Voting Procedures (Art. 11)	14	6
Question 2e - Funding (Art. 18-23)	13	7
Question 2f - Policy Work, Operations & Activities (Art. 24-26)	17	3
Question 2g - Projects Activities of The Organization (Art. 25)	9	11
Question 2h - Committees and Subsidiary Bodies (Art. 26)	16	4

Consumers

Criteria	Yes	No
Question 1 - Agreement to Extension	32	1
Question 2 - Changes needed	32	1
Question 2a - Objectives and Scope	2	31
Question 2b - Governance Structure (Art. 3, 6, 7, 8, 9)	30	3
Question 2c - Membership Structure (Art. 4, 5)	1	32
Question 2d - Voting Procedures (Art. 11)	2	31
Question 2e - Funding (Art. 18-23)	33	0
Question 2f - Policy Work, Operations & Activities (Art. 24-26)	3	30
Question 2g - Projects Activities of The Organization (Art. 25)	2	31
Question 2h - Committees and Subsidiary Bodies (Art. 26)	3	30

*EU's response is accounted for on behalf of its 27 members

2023 Members Survey Results

The Members Survey Results is a large document and can not be annexed to the WG Report. Please refer to the separate document being sent with this WG Report entitled ITTC(LIX)/Info.8.

Annex 4

Proposed Draft Decision

A draft decision will be proposed by the WG Co-Chairs reflecting the recommendations of the WG and Council deliberations, for Council's consideration at the ITTC59.